

**FINAL**  
CITY COUNCIL  
CITY OF WICHITA  
KANSAS

City Council Meeting  
09:00 a.m. July 8, 2008

City Council Chambers  
455 North Main

**OPENING OF REGULAR MEETING**

- Call to Order
- Invocation
- Pledge of Allegiance
- Approve the minutes of the regular meeting on July 1, 2008

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**AWARDS AND PROCLAMATIONS**

- Service Award-Larry A. Weigant

**PUBLIC AGENDA**

NOTICE: No action will be taken relative to items on this agenda other than referral for information. Requests to appear will be placed on a "first-come, first-served" basis. This portion of the meeting is limited to thirty minutes and shall be subject to a limitation of five minutes for each presentation with no extension of time permitted. No speaker shall be allowed to appear more frequently than once every fourth meeting. Members of the public desiring to present matters to the Council on the public agenda must submit a request in writing to the office of the city manager prior to twelve noon on the Tuesday preceding the council meeting. Matter pertaining to personnel, litigation and violations of laws and ordinances are excluded from the agenda. Rules of decorum as provided in this code will be observed.

1. Marydel Grayum-Solid Waste/Recycling.

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**COUNCIL BUSINESS**

**UNFINISHED COUNCIL BUSINESS**

2. Appeal from an order of the Chief of Police to reclassify local liquor license of Loco Joe's LLC at 417 east Douglas. (District I)

RECOMMENDED ACTION: Conduct a hearing of the licensee's appeal and issue an order either upholding or overturning the same.

**NEW COUNCIL BUSINESS**

3. National Night Out Presentation.

RECOMMENDED ACTION: Receive and file the presentation on National Night Out.

4. Resolution Considering the Establishment of a Redevelopment District, Tax Increment Financing. (District I)

RECOMMENDED ACTION: Adopt the resolution providing notice of consideration for the establishment of the proposed redevelopment district and setting a public hearing for August 12, 2008.

5. Health and Benefit Consultant Contract.

RECOMMENDED ACTION: Approve the contract and authorize the appropriate signatures.

6. Mid-Continent Water Reclamation Facility - Budget Adjustment. (District IV)

RECOMMENDED ACTION: Approve the budget adjustment and authorize the necessary signatures.

7. Approval of Resolution to Increase Fares for Taxi Cabs.

RECOMMENDED ACTION: Approve the resolution and authorize the necessary signatures.

(9:30 a.m. or soon thereafter)

8. Repair or Removal of Dangerous and Unsafe Structures. (Districts I, II, and III)

Property Address

Council District

a. 1314 North Lorraine	I
b. 435 North Piatt	I
c. 1006 North Grove	I
d. 1338 North Green	I
e. 916 North Harding	I
f. 14621 East Sport of Kings	II
g. 4338 East Wilma	III

RECOMMENDED ACTION: Close the public hearing, adopt the resolutions declaring the building a dangerous and unsafe structure, and accept the BCSA recommended action to proceed with condemnation, allowing 10 days to start demolition and 10 days to complete removal of the structure. Any extensions of time granted to repair the structure would be contingent on the following: (1) All taxes have been paid to date, as of July 8, 2008; (2) the structure has been secured as of July 8, 2008 and will continue to be kept secured; and (3) the premises are mowed and free of debris as of July 8, 2008, as will be so maintained during renovation.

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**COUNCIL BUSINESS SUBMITTED BY CITY AUTHORITIES**

**PLANNING AGENDA**

NOTICE: Public hearing on planning items is conducted by the MAPC under provisions of State law. Adopted policy is that additional hearing on zoning applications will not be conducted by the City Council unless a statement alleging (1) unfair hearing before the MAPC, or (2) alleging new facts or evidence has been filed with the City Clerk by 5p.m. on the Wednesday preceding this meeting. The Council will determine from the written statement whether to return the matter to the MAPC for rehearing.

\* Consent Items

9. ZON2008-00010 – Zone change from B Multi-family Residential (“B”) and MF-29 Multi-family Residential (“MF-29”) to LC Limited Commercial (“LC”). Generally located approximately 400-feet south and east of the intersection of Central and Oliver. (District II)

RECOMMENDED ACTION: 1) Adopt the findings of the MAPC, approve the zone change subject to the provisions of Protective Overlay #212; and withhold publication of ordinance until conditions of the protective overlay are met; OR 2) Return the application to the MAPC for reconsideration; OR 3) Deny the application.

10. \*ZON2008-00026 – Zone change from SF-5 Single-family Residential (“SF-5”) and LC Limited Commercial (“LC”) to GC General Commercial (“GC”); generally located on the south side of Lewis, a half block west of Zelta and one block north of east Kellogg, (11002 & 11723 East Lewis). (District II)

RECOMMENDED ACTION: 1) Adopt the findings of the MAPC, approve the zone change subject to the provisions of Protective Overlay #213; and withhold publication of the ordinance until conditions of the protective overlay are met; OR 2) Return the application to the MAPC for reconsideration; OR 3) Deny the application.

11. \*ZON2008-28 – Zoning request on a parcel with no zoning to MH Manufactured Housing, generally located 1/2 mile east of Hydraulic Avenue at 55th Street South and abutting the Arkansas River. (District III)

RECOMMENDED ACTION: 1) Adopt the findings of the MAPC and approve the zone change subject to platting within one year, withhold publication of the ordinance until the plat is recorded; OR 2) Return the application to the MAPC for reconsideration.

12. \*VAC2006-00035-Request to vacate a portion of a platted public street right-of-way; generally located between Market and Main Streets and between Kellogg Drive to Lewis Street. (District I)

RECOMMENDED ACTION: Approve the Vacation Order and authorize the necessary signatures.

13. \*VAC2007-00035- Request to vacate a portion of a platted utility easement; generally located west of 143rd Street East on the north side of 13th Street. (District II)

RECOMMENDED ACTION: Approve the Vacation Order and authorize the necessary signatures.

14. \*VAC2008-00006-Request to vacate multiple platted access easements and a platted utility easement; generally located between I-35 and Central Avenue, west of 159th Street East. (District II)

RECOMMENDED ACTION: Approve the Vacation Order and authorize the necessary signatures.

### **HOUSING AGENDA**

NOTICE: The City Council is meeting as the governing body of the Housing Authority for consideration and action on the items on this Agenda, pursuant to State law, HUD, and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

\* Consent Items

**Allan Murdock, Housing Member is also seated with the City Council.**

None

### **AIRPORT AGENDA**

NOTICE: The City Council is meeting as the governing body of the Airport for consideration and action on items on this Agenda, pursuant to State law and City ordinance. The meeting of the Authority is deemed called to order at the start of this Agenda and adjourned at the conclusion.

\*Consent items

None

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### **COUNCIL AGENDA**

#### **COUNCIL MEMBER AGENDA**

15. Municipal Court Judge Compensation.

RECOMMENDED ACTION: Approve a merit increase of 2% retroactive to the third Tuesday of April, 2008 for all of the Municipal Court Judges.

16. **COUNCIL MEMBER APPOINTMENTS**

RECOMMENDED ACTION: Approve the Appointments

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**CONSENT AGENDA**

17. Report of Board of Bids and Contracts dated July 7, 2008.

RECOMMENDED ACTION: Receive and file report; approve Contracts;  
authorize necessary signatures.

18. Applications for Licenses to Retail Cereal Malt Beverages:

<u>Renewal</u>	<u>2008</u>	<u>(Consumption off Premises)</u>
Stephen Diehl	Dillon Store #72	10304 West 13th Street
James Brown	Oncue Express600	433 South Greenwich Road

<u>Renewal</u>	<u>2008</u>	<u>(Consumption on Premises)</u>
Angela L. Ray	El Matador Lounge	2033 South Broadway

RECOMMENDED ACTION: Approve licenses subject to Staff review and approval.

19. Preliminary Estimates:

- a. Mount Vernon Street and Drainage Improvements from Greenway to Broadway (472-84289/706946/636204/620509/205412/778594/668628) See Special Provisions for Traffic. (District III) - \$5,075,000.00
- b. Goebel Circle from the north line of Pawnee to and including the cul-de-sac to serve Brentwood South 3rd Addition (east of Webb, north of Pawnee) (472-84656/766194/ 490212) Traffic to be maintained during construction using flagpersons and barricades. (District II) - \$233,000.00
- c. 2008 Sanitary Sewer Reconstruction Phase 8 (north of Pawnee, east of Seneca) (468-84527/620514/668633) Traffic to be maintained during construction using flagpersons and barricades. (District II, III) - \$116,000.00
- d. 2008 Contract Maintenance Mill & Overlay Phase 2 (north of 47th Street South, east of 119th Street West) (472-84734/132721/) Traffic to be maintained during construction using flagpersons and barricades. (District II, V & VI) - \$1,100,400.00
- e. The cost of construction of Storm Water Drain No. 621 to serve Pawnee Mesa Addition (north of Pawnee, east of 119th Street West). (District IV) (468-84152/751419/485-310) – Total Estimated Cost \$153,900.00

RECOMMENDED ACTION: Receive and file.

20. Deeds and Easements:

- a. Storm Water Drainage and Detention Basin Improvements Easement dated July 8, 2008 from Castlewood Homes, Inc. for a pond lying within Reserve A, Sycamore Pond Addition, an addition to Wichita, Sedgwick County, Kansas, (OCA #751427) No cost to City.
- b. Storm Water Drainage and Detention Basin Improvements Easement dated July 8, 2008 from RRT, LLC. for a pond lying within Reserve B, Crestlake Addition, an addition to Wichita, Sedgwick County, Kansas, (OCA #751423) No cost to City.
- c. Storm Water Drainage and Detention Basin Improvements Easement dated July 8, 2008 from Socora Homes, Inc. for a pond lying within Reserve A and B, Fontana 2nd Addition and the east 340' of Reserve E, Fontana Addition, additions to Wichita, Sedgwick County, Kansas, (OCA #751411) No cost to City.
- d. Storm Water Drainage and Detention Basin Improvements Easement dated July 8, 2008 from Caywood, LLC. for a pond lying within Reserve B, Clifton Cove Addition, an addition to Wichita, Sedgwick County, Kansas, (OCA #751421) No cost to City.
- e. Storm Water Drainage and Detention Basin Improvements Easement dated July 8, 2008 from R & R Realty, LLC. for a pond lying within Reserve A, Tyler's Landing Addition, an addition to Wichita, Sedgwick County, Kansas, (OCA #751436) No cost to City.
- f. Storm Water Drainage and Detention Basin Improvements Easement dated July 8, 2008 from Chase Development, LLC. for a pond lying within Reserve B, Valencia Addition, an addition to Wichita, Sedgwick County, Kansas, (OCA #751435) No cost to City.
- g. Storm Water Drainage and Detention Basin Improvements Easement dated July 8, 2008 from Auburn Pointe, LLC. for a pond lying within Reserve A, Auburn Hills Commercial 4th Addition, an addition to Wichita, Sedgwick County, Kansas, (OCA #751426) No cost to City.

RECOMMENDED ACTION: Accept documents.

21. Statement of Costs:

- a. Improving 37th Street North to serve Ridge Port North 2nd Addition (south of 37th Street North, east of Ridge). Total Cost - \$120,628.67 (plus idle fund interest - \$2,607.61, plus temporary note interest - \$3,063.72). Financing to be issued at this time - \$126,300.00. (766144/472-83411/490-162).
- b. Realign McCormick from Leonine to K-42. Total Cost - \$1,558,497.91 (plus idle fund interest - \$154.35, plus temporary note interest - \$39,147.74). Project Total Cost - \$1,597,800.00 (less interfund transfer - \$113,000.00, less transfer from debt service - \$1,222,000.00). Financing to be issued at this time - \$262,800.00. (706866/472-83831/203-332).
- c. Improving 143rd Street East from 21st Street North to the north line of 24th Street North to serve Krug North, Krug North 2nd and East Side Community Church 2nd Additions (143rd Street north of 21st Street North). Total Cost - \$210,749.29 (plus idle fund interest - \$4,353.03, plus temporary note interest - \$5,497.68). Financing to be issued at this time - \$220,600.00. (766115/472-83979/490-132).
- d. Improving Upland Hills, Upland Hills Court, Rogers Lane, and Haskell to serve Turkey Creek 2nd Addition (north of Pawnee, west of 119th Street West). Total Cost - \$519,017.34 (plus idle fund interest - \$11,756.76, plus temporary note interest - \$14,525.90). Financing to be issued at this time - \$545,300.00. (766111/472-84030/490-128).
- e. Improving Rutgers, Havenhurst, Rutgers Court, Waterside, and Westbrook to serve Prairie Pointe and Prairie Pointe 2nd Additions (north of 37th Street North, west of Maize). Total Cost - \$515,869.25 (plus idle fund interest - \$11,092.71, plus temporary note interest - \$12,138.04). Financing to be issued at this time - \$539,100.00. (766127/472-84043/490-145).
- f. Improving Mark Randal, Cortina, and Shefford to serve Fontana 3rd Addition (north of 29th Street North, east of 119th Street West). Total Cost - \$534,277.23 (plus idle fund interest - \$7,775.69, plus temporary note interest - \$13,947.08). Financing to be issued at this time - \$556,000.00. (766131/472-84091/490-149).

(Item 21 continued)

- g. Improving Woodridge, Woodridge Circle, and Woodridge Court to serve The Fairmont 3rd Addition (north of 21st Street North, west of 127th Street East). Total Cost - \$159,171.33 (plus idle fund interest - \$3,089.61, plus temporary note interest - \$3,939.06). Financing to be issued at this time - \$166,200.00. (766143/472-84137/490-161).
- h. Improving an east-west alley 310 feet south of Harry from Woodlawn to Mission Street to serve Lincoln Hills 2nd Addition (south of Harry, east of Woodlawn). Total Cost - \$70,128.85 (plus idle fund interest - \$2,341.71, plus temporary note interest - \$729.44). Financing to be issued at this time - \$73,200.00. (765945/472-84222/490-058).
- i. Improving Pepper Ridge, High Point, Conrey, and Conrey Court to serve Tyler's Landing 3rd Addition (south of 37th Street North, east of Tyler). Total Cost - \$226,518.74 (plus idle fund interest - \$3,666.34, plus temporary note interest - \$6,214.92). Financing to be issued at this time - \$236,400.00. (766124/472-84263/490-142).
- j. Improving Westlakes Parkway to serve Fox Ridge Addition (north of 29th Street North, west of Tyler). Total Cost - \$497,213.61 (plus idle fund interest - \$11,462.67, plus temporary note interest - \$17,523.72). Financing to be issued at this time - \$526,200.00. (765996/472-84279/490-113).
- k. Facade Improvement Program for Old Town Courtyard by Marriott at 820 and 900 East 2nd Street. Total Cost - \$605,605.97 (plus idle fund interest - \$12,405.08, plus temporary note interest - \$35,288.95). Financing to be issued at this time - \$653,300.00. (766016/472-84288/491-017).
- l. Improving Merton, east from the east line of Seneca to and including the cul-de-sac to serve Rubottom, Fulgroat and Merton Park Additions (south of Harry, east of Seneca). Total Cost - \$153,223.96 (plus idle fund interest - \$3,428.20, plus temporary note interest - \$4,447.84). Financing to be issued at this time - \$161,100.00. (765992/472-84410/490-109).
- m. Facade Improvement Program at 105 South Broadway (southwest corner of Douglas and Broadway). Total Cost - \$571,585.24 (plus idle fund interest - \$12,349.20, plus temporary note interest - \$19,165.56). Financing to be issued at this time - \$603,100.00. (766019/472-84411/491-020).
- n. Improving Grey Meadow, Grey Meadow Courts, Flat Creek, and Flat Creek Court to serve Fox Ridge Addition (north of 29th Street North, west of Tyler). Total Cost - \$664,043.09 (plus idle fund interest - \$15,406.33, plus temporary note interest - \$23,850.58). Financing to be issued at this time - \$703,300.00. (766100/472-84421/490-117).
- o. Improving Bellechase, Spring Valley, Horseback, Horseback Court, and Horseback Circle to serve Bellechase Addition (north of Harry, east of 127th Street East). Total Cost - \$383,280.31 (plus idle fund interest - \$8,902.45, plus temporary note interest - \$10,617.24). Financing to be issued at this time - \$402,800.00. (766113/472-84426/490-130).
- p. Improving Gouverneur and Osie to serve Grillott Addition and East Substation Addition (south of Harry, west of Rock). Total Cost - \$203,151.20 (plus idle fund interest - \$12,948.80, plus temporary note interest - \$0). Financing to be issued at this time - \$216,100.00. (766107/472-84428/490-124).
- q. Improving Brookside to serve Kretchmar, Kapaun First, and Kapaun Fourth Additions and unplatted tract (north of Central, west of Woodlawn). Total Cost - \$144,402.96 (plus idle fund interest - \$4,072.38, plus temporary note interest - \$4,024.66). Financing to be issued at this time - \$152,500.00. (766112/472-84442/490-129).
- r. Improving Spring Hollow Drive, Watson, Clear Creek, and St. Andrews Drive to serve Clear Creek Addition (south of Kellogg, west of 143rd Street East). Total Cost - \$336,289.04 (plus idle fund interest - \$8,369.64, plus temporary note interest - \$9,741.32). Financing to be issued at this time - \$354,400.00. (766114/472-84448/490-131).
- s. Improving Westlakes Court to serve Fox Ridge Addition (north of 29th Street North, east of Maize). Total Cost - \$202,159.86 (plus idle fund interest - \$4,037.94, plus temporary note interest - \$5,602.20). Financing to be issued at this time - \$211,800.00. (766119/472-84470/490-137).
- t. Improving Athenian and Athenian Court to serve Valencia Addition (south of 53rd Street North, east of Meridian). Total Cost - \$196,020.34 (plus idle fund interest - \$3,756.80, plus temporary note interest - \$5,222.86). Financing to be issued at this time - \$205,000.00. (766137/472-84473/490-155).
- u. Improving Stafford and Cranbrook to serve Brentwood South Addition (north of Pawnee, east of Webb). Total Cost - \$343,143.54 (plus idle fund interest - \$13,097.26, plus temporary note interest - \$2,159.20). Financing to be issued at this time - \$358,400.00. (766122/472-84476/490-140).

(Item 21 continued)

- v. Facade Improvement Program at 154 North Emporia (southeast corner of 1st Street and Emporia). Total Cost - \$89,703.22 (plus idle fund interest - \$5,596.78, plus temporary note interest - \$0). Financing to be issued at this time - \$95,300.00. (766020/472-84497/491-021).
- w. Improving Flutter Lane, 24th Street, Boxthorn, Camden Chase, Camden Chase Court, Chelmsford, Chelmsford Circle, and Graystone to serve Monarch Landing Addition (north of 21st Street North, west of 159th Street East). Total Cost - \$831,021.85 (plus idle fund interest - \$17,058.31, plus temporary note interest - \$18,819.84). Financing to be issued at this time - \$866,900.00. (766129/472-84505/490-147).
- x. Improving Gilda and Wickham to serve Gray's 6th Addition (south of MacArthur, west of Hoover). Total Cost - \$149,160.27 (plus idle fund interest - \$5,089.57, plus temporary note interest - \$350.16). Financing to be issued at this time - \$154,600.00. (766155/472-84565/490-173).
- y. Improving Wilderness Circle to serve Willow Place 2nd Addition (south of 45th Street North, west of Webb). Total Cost - \$59,085.63 (plus idle fund interest - \$1,814.37, plus temporary note interest - \$0). Financing to be issued at this time - \$60,900.00. (766169/472-84601/490-187).

RECOMMENDED ACTION: Approve and file.

22. Consideration of Street Closures/Uses.

- a. UniFirst Founders Day Company Picnic, July 12, 2008 8:00 am-5:00 pm. (District VI)
- b. St. Mark Community Day, 7:30 am to 4:30 pm, July 26, 2008. (District I)

RECOMMENDED ACTION: Approve the request subject to: (1) Hiring off-duty certified law enforcement officers as required; (2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department. (3) Certificate of Liability Insurance on file with the Community Events Coordinator.

23. Design Services Agreement:

- a. Moorings 10th Addition, south of 53rd Street North, west of Meridian. (District VI)

RECOMMENDED ACTION: Approve Agreements/Contracts; authorize the necessary signatures.

24. Minutes of Advisory Boards/Commissions

Deferred Compensation Board, February 21, 2008  
Wichita Employees' Retirement System, April 23, 2008  
Wichita Employees' Retirement System May 21, 2008  
Wichita Employees' Retirement Board/Police & Fire Retirement Board, May 1, 2008

RECOMMENDED ACTION: Receive and file.

25. Water Distribution System to serve an area along Mead, between 55th Street South and 57th Street South. (District III)

RECOMMENDED ACTION: Adopt the Resolution and authorize the necessary signatures.



26. 37th Street, Flora, York Street paving, north of MacArthur, east of Hoover. (District IV)

RECOMMENDED ACTION: Adopt the Resolution and authorize the necessary signatures.

27. June 2008 Monthly Contracts and Agreements Report to Council.

RECOMMENDED ACTION: Receive and File.

28. Justice Assistance Grant.

RECOMMENDED ACTION: Approve the MOU and authorize the appropriate signatures.

29. Federal Bryne Memorial Grant.

RECOMMENDED ACTION: Approve and authorize the appropriate signatures.

30. Second Reading Ordinances: (First Read July 1, 2008)

- a. Public Hearing and Issuance of Tax-Exempt Industrial Revenue Bonds, McCormick-Armstrong Co, Inc.  
(District I)

An ordinance authorizing the city of Wichita, Kansas to issue its industrial revenue bonds, Series III, 2008 (McCormick-Armstrong, Co., Incorporated), in the aggregate principal amount of \$6,000,000 for the purposes of (1) purchasing and installing certain machinery and equipment in an existing manufacturing facility located in the city of Wichita; prescribing the form and authorizing the execution of a trust indenture by and between the city and Security Bank of Kansas City, in the city of Kansas City, Kansas, as trustee; authorizing the city to lease the project to McCormick-Armstrong, Co., Incorporated; prescribing the form and authorizing execution of a lease between the city and McCormick-Armstrong, co., incorporated; prescribing the form and authorizing the execution of an easement and agreement by and between McCormick-Armstrong, co., incorporated and the city; approving the form of a guaranty agreement between McCormick-Armstrong, co., incorporated and the Security Bank of Kansas City, as trustee; authorizing execution of a tax regulatory agreement between the city, Security Bank of Kansas City and McCormick-Armstrong, Co., incorporated and authorizing the execution of a bond placement agreement by and between the city, McCormick-Armstrong, Co., Incorporated and People's Capital and Leasing Corp., as purchaser of the 2008 bonds.

- b. DER2008-00004 – Proposed Amendment to the Unified Zoning Code (“UZC”) Regarding Vehicle Storage Yards as a Conditional Use in the “RR” Rural Residential Zone Districts.

An ordinance providing amendments to Section III-b.2.c(4) and Section II-d.1; and adding Section III-d.6.mm of the Wichita-Sedgwick County Unified Zoning Code (April 19, 2001 edition), as adopted by reference in city of Wichita Code Sec. 28.04.010 by Ordinance No. 44-975, dealing with vehicle storage yards in the rr rural residential (“rr”) zone district.

(Item 30 continued)

c. Mt. Vernon Improvement, between the Arkansas River and Broadway. (District III)

An ordinance amending Ordinance No. 47-885 of the city of Wichita, Kansas declaring Mt. Vernon, between Broadway and the Arkansas River (472-84289) to be a main trafficway within the city of Wichita, Kansas; declaring the necessity of and authorizing certain improvements to said main trafficway; and setting forth the nature of said improvements, the estimated costs thereof, and the manner of payment of same.

d. Old Town Warren Theater LLC-Term Loan.

An Ordinance of the City of Wichita, Kansas authorizing the issuance of its general obligation bonds to pay certain costs incurred in connection with the Old Town Warren Theatre, L.L.C. project; and authorizing and providing for the issuance of temporary improvement notes of the city from time to time as funds are needed for such purpose.

e. Acquisition by Eminent Domain of Tracts of Land for the Intersection Improvement Project at 21st Street and Broadway. (District VI)

An Ordinance providing for the acquisition by eminent domain of certain private property, easements and right-of-way therein, for the purpose of acquiring real property for the construction and improvement of the planned east 21st and North Broadway road improvement project in the City of Wichita, Sedgwick County, Kansas; designating the lands required for such purposes and directing the city attorney to file a petition in the District of Court of Sedgwick County, Kansas, for acquisition of the lands and easements therein taken and providing for payment of the cost thereof.

RECOMMENDED ACTION: Adopt the Ordinances.

Adjournment

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council Members

**SUBJECT:** Appeal from an order of the Chief of Police to reclassify Local Liquor License of Loco Joes LLC at 417 E Douglas – District I

**INITIATED BY:** Wichita Police Department

**AGENDA:** Unfinished Business

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**Recommendation:** Conduct a hearing on the appeal regarding the reclassification of license for Loco Joes LLC, 417 E Douglas from that of Drinking Establishment Restaurant to a Drinking Establishment.

**Background:** City ordinance defines a Drinking Establishment/Restaurant (DER) as a business that is open to the general public, sells liquor by the individual drink and meets one of the following requirements: The business shall derive not less than 50% of its gross revenues from sales of food and beverages for consumption on such premises in a six-month period; or such business shall derive not less than 30% of its gross revenues from sales of food and beverages for consumption on such premises in a six-month period and shall have not less than 70% of the public assembly area of the licensed premises devoted to designated seating for the service of food for consumption on the licensed premises. (See Wichita City Ordinance/Section **4.04.010(t)**) Minors under the age of 21 years are allowed on the premises of a DE/R but cannot consume alcohol. Any establishment not meeting the above food sales and seating space criteria is classified and licensed as a Drinking Establishment (DE), and minors under the age of 21 years are prohibited from entering or remaining on the premises.

The City Code also provides that a business licensed as a DE/R maybe reclassified as a DE in the event that the business fails to meet food sales or seating space criteria. Wichita City Ordinance/Section **4.16.095 (c)** authorizes the Chief of Police to reclassify any DE/R as a DE if the establishment *“fails to provide information showing either the required amount of gross revenues from sales of food or the percentage of floor space devoted to the designated seating according to the floor plan, and the service of food for consumption on the licensed premise”*. Subsection **4.16.095 (d)** of the City Code provides *that an order of reclassification issued by the Chief of Police may be appealed to the City Council within seven days from the date of the order*. An appeal from the Chief’s order to the City Council stays the order of reclassification until the Council resolves the matter.

**Analysis:** Loco Joes LLC, located at 417 E Douglas, has been licensed as a DE/R since 10 August 2007. On 29 March 2008 Wichita Police Department Detectives served Mr. Joe Bidwell the owner of Loco Joes LLC with a letter requesting information showing that the establishment was in compliance with Section 4.04.010 (t) regarding percentage of food sales. A list requesting specific information necessary for the audit of Loco Joes LLC revenues was attached. As of 11 April 2008 Detective Quinn has yet to receive the audit information requested.

On 18 April 2008 Chief Williams sent a letter to Mr. Joe Bidwell, the licensee for Loco Joes LLC informing him that the establishment was being reclassified to a DE, due to failure to comply with City ordinance 4.04.010 (t).

Council action was delayed on the reclassification for two weeks from their 03 June 2008 meeting to provide Mr Joe Bidwell time to complete a working kitchen. Detective Quinn returned to the business 19 June 2008 & was to meet Mr Joe Bidwell who failed to arrive for the inspection. Detective Quinn upon looking at the kitchen noticed a cook top and deep fryer that were inoperable at the time of inspection. There was not a refrigerator present that was to be used to store food.

**Financial Consideration:** None

**Legal Consideration:** If the City Council upholds the decision of the Chief, the licensee has the further option of appealing to the district court, pursuant to state statute. Such an appeal would not stay the order of reclassification.

**Goal Impact:** Provide a safe and secure environment by enforcing City Ordinances regarding liquor licenses and drinking establishments.

**Recommendation/Action:** Conduct a hearing of the licensee's appeal and issued an order either upholding or overturning the same.

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council

**SUBJECT:** National Night Out Presentation

**INITIATED BY:** Police Department

**AGENDA:** New Business

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**Recommendation:** Receive and file presentation on National Night Out.

**Background:** The National Association of Town Watch (NATW) began the National Night Out program in 1984 as a way for neighbors to join together to fight back against crime. The Block Party concept is designed to allow neighbors to get acquainted and to strengthen existing or form new Neighborhood Watch Groups to protect themselves and their neighbors by agreeing to call the police whenever illegal activity is observed.

Those organizing the neighborhood gatherings include Neighborhood Watch Groups, Neighborhood Associations and other community groups. The goal of National Night Out is to heighten crime and drug prevention awareness, generate local participation in anti-crime programs like Neighborhood Watch and to strengthen police-community partnerships.

**Analysis:** On August 7, 2007, the City of Wichita had one hundred eighty-two (182) registered and numerous unregistered block parties, which amounted to an estimated 10,000 Wichitans participating in National Night Out. For 2007, the City of Wichita was nationally awarded tenth place by the National Association of Town Watch for participation of cities 300,000 or larger.

The City of Wichita has participated in National Night Out every year since 1990. 2007's tenth place award is the highest ranking achieved by the City of Wichita and matches the tenth place award received in 2005. The Wichita Police Department plans to make National Night Out 2008 even better by creating a multi-day celebration with several exciting events. The events will take place Thursday July 31 through Tuesday August 5, 2008.

**Financial Considerations:** None.

**Goal Impact:** Provide a safe and secure community by increasing community involvement in anti-crime efforts such as Neighborhood Watch and to strengthen police-community partnerships.

**Legal Considerations:** None

**Recommendations/Actions:** To receive and file the presentation on National Night Out.



## ***EXHIBIT “B”***

### **REDEVELOPMENT DISTRICT PLAN FOR THE REDEVELOPMENT OF THE KEN MAR REDEVELOPMENT DISTRICT THROUGH TAX INCREMENT FINANCING**

**July 8, 2008**

#### **SECTION 1: PURPOSE**

A district plan is required for inclusion in the establishment of a redevelopment district under K.S.A. 12-1771. The district plan is a preliminary plan that identifies proposed redevelopment project areas within the district, and describes in a general manner the buildings, facilities and improvements to be constructed or improved.

#### **SECTION 2: DESCRIPTION OF TAX INCREMENT INCOME**

Projects financed through tax increment financing typically involve the creation of an “increment” in real estate property tax income. The increment is generated by segregating the assessed values of real property located within a defined geographic area such that a portion of the resulting property taxes flow to the City to fund projects in the redevelopment district, and the remaining portion flows to all remaining taxing jurisdictions. The portion of property taxes flowing to the City is determined by the increase in the assessed value of the properties within the redevelopment district as a result of the new development occurring within the same area. When the current aggregate property tax rates of all taxing jurisdictions are applied to this increase in assessed property value from new development, increment income is generated. Public improvements within the district and other qualified expenditures are funded by the City and repaid over a specified period of time with this increment income. The property taxes attributable to the assessed value existing prior to redevelopment, the “original valuation,” continue to flow to all taxing jurisdictions just as they did prior to redevelopment. This condition continues for the duration of the established district, as defined by statute, or until all eligible project costs are funded, whichever is of shorter duration.

#### **SECTION 3: DESCRIPTION OF THE DISTRICT BOUNDARIES**

All property located between the center line of 13<sup>th</sup> Street North on the south, the north right of way line of 14<sup>th</sup> Street North on the north, the center line of Oliver Avenue on the east and the west right of way line of Pershing Avenue on the west, in Wichita, Sedgwick County, Kansas; and including all street rights of way within such described areas.

#### **SECTION 4: BUILDINGS AND FACILITIES**

The district is located within the Central Northeast Area Plan, a plan for the redevelopment of existing older areas of Wichita. The buildings in the area were built in the 1950’s and along with the parking lot, are showing signs of deterioration due to deferred maintenance. The current property use is retail including a strip center, Dollar General, and payday loan company on the corner. The center currently includes a wide variety of businesses including a bank, hair care center, and pharmacy.

The proposed redevelopment district is an area that meets the criteria for designation as a

“conservation area” as defined by state law governing the establishment and financing of redevelopment districts. Property located within a conservation area is legally eligible for establishment of a redevelopment district.

## **SECTION 5: REDEVELOPMENT AND PROJECT AREAS**

It is anticipated that all property within district will be designated as the “project area” under the redevelopment project plan, which must be adopted by the City Council by a 2/3 majority vote before the expenditure of any tax increment financing funds. The plans for redevelopment of the project area generally call for a full remodel and update of the two larger retail structures, new facades and the development of up to four out-parcels for additional commercial space. The existing parking surface and lighting will be replaced and additional lighting installed.

Tax increment financing may be used to pay for the purchase of real estate and site preparation including the demolition of structures and utility relocations, as well as public infrastructure improvements, such as streetscape, public parking, utility extensions, landscaping and public plazas. Tax increment financing may not be used for construction of any buildings owned by or leased to a private, nongovernmental entity.

## **SECTION 6: CONCLUSION**

After the establishment of the redevelopment district, any redevelopment projects to be funded with tax increment financing will be presented to the Governing Body for approval through the adoption of a Redevelopment Project Plan. The Project Plan will identify the specific project area located within the established tax increment financing district and will include detailed descriptions of the project(s) as well as a financial feasibility study showing that the economic benefits outweigh the costs. The Project Plan must be reviewed by the Metropolitan Area Planning Commission and submitted to a public hearing following further notification of property owners and occupants, before it can be adopted by a two-thirds majority vote of the Governing Body. Only then can tax increment income be spent on the redevelopment projects.

Tax increment financing does not impose any additional taxes on property located within the redevelopment district. All property within the district is appraised and taxed the same as any other property. However, if property within the district increases in value as a result of redevelopment, the resulting increment of additional tax revenue is diverted to pay for a portion of the redevelopment costs.



Resolution No. \_\_\_\_\_

A RESOLUTION  
STATING THE CITY OF WICHITA IS CONSIDERING THE  
ESTABLISHMENT OF A REDEVELOPMENT DISTRICT  
FOR THE KEN MAR REDEVELOPMENT DISTRICT  
UNDER AUTHORITY OF K.S.A. 12-1770 ET SEQ.

WHEREAS, the provisions of K.S.A. 12-1770, et seq., as amended, set forth the procedure for the establishment of a redevelopment district for certain purposes in eligible areas; and

WHEREAS, the City of Wichita (the “City”) is considering the establishment of a redevelopment district in a conservation area to be known as the “Ken Mar Redevelopment District” to promote the general and economic welfare of the City and the former enterprise zone area;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS;

Section 1. That the City is considering the establishment of a redevelopment district to be known as the Ken Mar Redevelopment District.

Section 2. That the City will hold a public hearing to consider the establishment of such redevelopment district on August 12, 2008, at 9:30 a.m., or as soon thereafter as possible, in the City Council Chambers, City Hall, 455 North Main Street, Wichita, Kansas.

Section 3. That the boundaries of the proposed redevelopment district are set forth in Exhibit “A” attached hereto.

Section 4. That the redevelopment district plan identifying proposed redevelopment project areas along with a general description of the buildings, facilities, and improvements that are proposed to be constructed or improved in the redevelopment district is attached hereto as Exhibit “B”.

Section 5. That a description and map of the proposed redevelopment district shall be available for inspection by the public in the City Clerk’s Office, City Hall, 13<sup>th</sup> Floor, 455 North Main Street, Wichita, Kansas, from 8:00 a.m. until 5:00 p.m., Monday through Friday, from the 8<sup>th</sup> of July, 2008, until August 11, 2008.

Section 6. That the Governing Body will consider making findings necessary for the establishment of a redevelopment district at the public hearing set to be heard herein.

Section 7. That a copy of this resolution shall be delivered to the Sedgwick County Board of County Commissioners, and to the Board of Education of Unified School District No. 259. Copies of this resolution shall also be mailed by certified mail, return receipt requested, to each owner and occupant of land within the proposed redevelopment district not more than ten (10) days following the date of the adoption of this resolution.

Section 8. That this resolution shall be published once in the official City newspaper not less than one week or more than two weeks preceding the date fixed for the public hearing. A sketch clearly delineating the proposed redevelopment district in sufficient detail to advise the reader of the particular land proposed to be included within the redevelopment district shall be published with the resolution.

PASSED AND APPROVED by the Governing Body of the City of Wichita, Kansas, this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

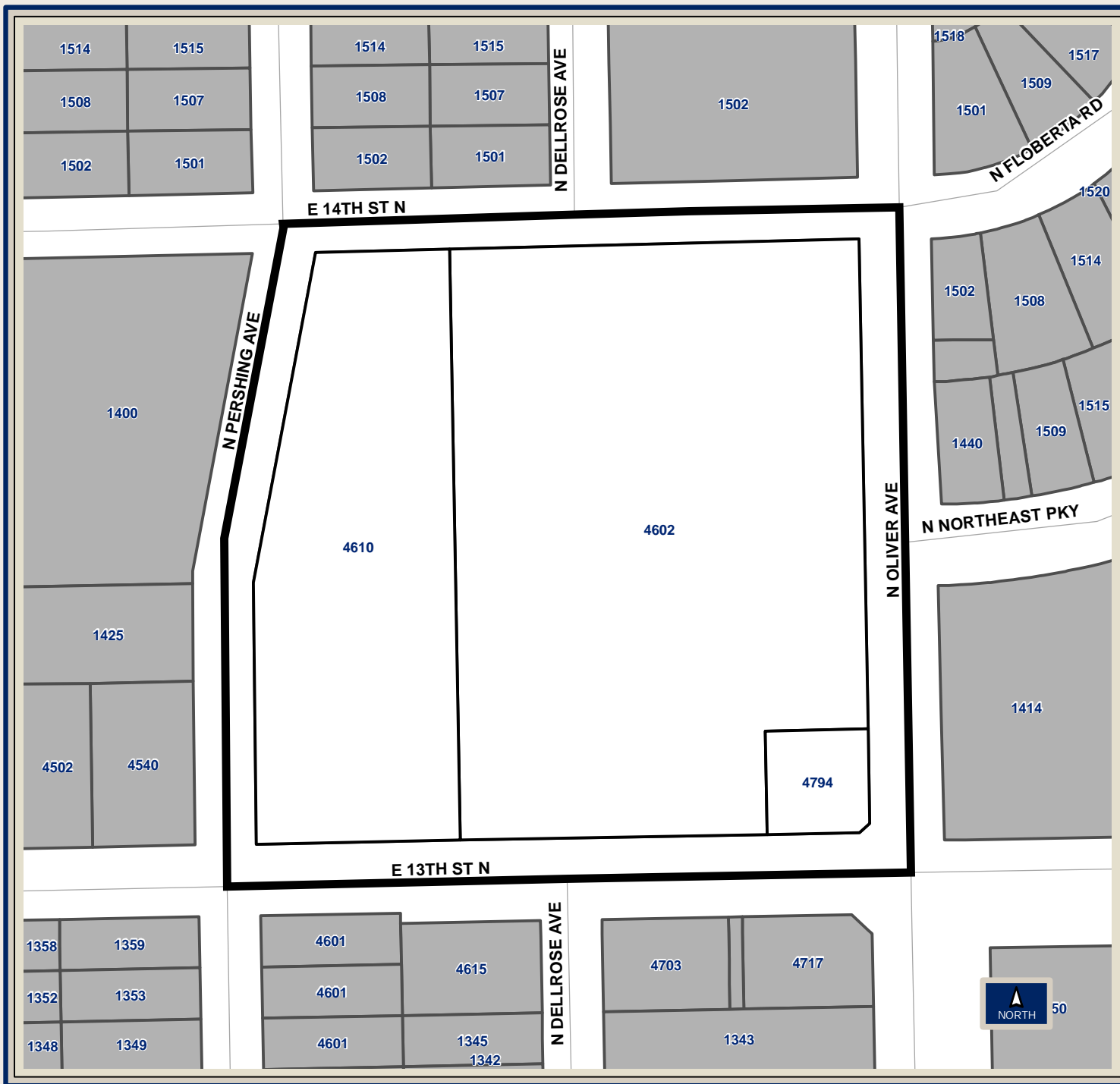
\_\_\_\_\_  
Carl Brewer, Mayor

ATTEST:

\_\_\_\_\_  
Karen Sublett, City Clerk

Approved as to Form:

\_\_\_\_\_  
Gary E. Rebenstorf, City Attorney



# Proposed Ken Mar Redevelopment District

City of Wichita, Kansas

- Proposed Ken Mar Redevelopment District
- Property Parcels inside Redevelopment District
- Property Parcels outside Redevelopment District

Software: ArcGIS 9.1  
Hardware: Dell Xeon  
Printer: HP 5000 Plotter

Map Data Source:  
Property Parcels  
provided by  
Sedgwick County GIS.

Road Centerlines  
provided by  
City of Wichita

Tuesday, June 24, 2008 2:26:21 PM  
X:\giswork\Projwork\NRA\kenMar.mxd

It is understood that while the City of Wichita Data Center Geographical Information Systems Department have no indication and reason to believe that there are inaccuracies in information incorporated in the base map, the Data Center-GIS per



EXHIBIT A

**Legal Description of the Ken Mar  
Redevelopment District**

All property parcels located between the center line of 13th Street North on the south, the north right of way line of 14th Street North on the north, the center line of Oliver Avenue on the east and the west right of way line of Pershing Avenue on the west, in Wichita, Sedgwick County, Kansas; and including all street rights of way within such described areas.

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council

**SUBJECT:** Resolution Considering the Establishment of a Redevelopment District (Tax Increment Financing) (District I)

**INITIATED BY:** Office of Urban Development

**AGENDA:** New Business

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**Recommendation:** Adopt the resolution.

**Background:** H.H. Holding, LLC, a team of local investors led by Dr. Kevass Harding, has purchased the Ken Mar shopping center at the intersection of 13<sup>th</sup> and Oliver. The team has requested assistance from the City of Wichita in the redevelopment of property, through the use of tax increment financing. Procedures for the use of tax increment financing require the establishment of a redevelopment district following a public hearing on the matter. At this time, the City is being asked to adopt a resolution setting the public hearing for August 12, 2008.

**Analysis:** The area proposed for redevelopment is shown on Exhibit 'A' to the attached resolution. The area is bounded on the south by 13<sup>th</sup> Street North, on the west by Pershing Avenue, on the north by 14<sup>th</sup> Street North and to the east by Oliver Avenue. This is an area that qualifies as a "conservation area" under the state TIF statutes. The structures within the district were constructed in the 1950's and are showing signs of deterioration. The Ken Mar neighborhood suffers from a higher than average unemployment rate, high concentration of individuals below the poverty level and below average value of housing units.

H.H. Holding, LLC purchased the property in April 2008. The developer is proposing to perform extensive renovation on the two larger structures to attract a new anchor tenant and attract 6-10 additional commercial tenants and restaurants. In addition to the renovation, the developer will add up to four out-parcels along 13<sup>th</sup> Street and Oliver. Tax increment financing would be used to pay for eligible redevelopment costs, which include (without limitation) land acquisition, demolition, site preparation, utilities, landscaping, paving and public infrastructure.

Tax increment financing allows the increased tax revenue that results from the redevelopment of property to be reinvested in the redevelopment project. Once a TIF district is established and a redevelopment project plan is adopted by City Council, the increment of increased tax revenue is set aside by the County Treasurer, to be used by the City to repay bonds issued to finance certain improvements that are specified in the redevelopment project plan. After the bonds are retired, the property tax increment is distributed to the City, County, School District and other applicable taxing jurisdictions.

The first step in establishing the tax increment district is the adoption of a resolution which states that the City Council is considering the establishment of the TIF district and sets the date for a public hearing on the matter. The earliest date a public hearing may be held for this project is August 12, 2008. After closing the public hearing, the City Council may adopt an ordinance establishing the redevelopment district. The final step in the approval process involves the adoption of a detailed project plan and approval of a development agreement by City Council.

The initiating resolution now before Council for adoption directs the City Clerk to publish the resolution in the City's official newspaper and to mail copies, by certified mail, to the owners and occupants of all property located within the district and to the Board of County Commissioners and Board of Education. The resolution also includes a map of the proposed district and a proposed district plan identifying potential redevelopment project areas and a general description of buildings and facilities to be constructed or improved.

Tax increment financing falls under the City's Economic Development Incentive Policy, and as such this project will be subject to the provisions of said Policy, unless specifically waived or adjusted by the City Council. For example, it may be necessary to waive or adjust the requirement that projects must show a cost-benefit ratio of at least 1.3 to one in order to receive incentives. The Ken Mar redevelopment is a small commercial redevelopment project with years of deferred maintenance, therefore it is unlikely the project will meet the minimum ratio.

**Financial Considerations:** The cost of mailing the Resolution to all owners and occupants of property located within the proposed district will be charged to Economic Development Fund and will be ultimately financed with TIF revenues.

The developer will be required by the development agreement to provide satisfactory guarantees for the payment of any shortfall in TIF revenues available for debt service on all "full faith and credit" TIF bonds issued by the City for this TIF district.

**Goal Impact:** Economic Vitality and Affordable Living and Quality of Life. Redevelopment of blighted areas, and declining areas, are needed to avoid economic stagnation. Business prospects and workers seeking to relocate are attracted to cities that support redevelopment in older areas.

**Legal Considerations:** State law allows cities to establish redevelopment districts in areas that are considered conservation areas based on findings that a majority of the structures in the area are at least 35 years old and the area is not yet blighted but may become blighted due to dilapidation, excessive vacancies or building abandonment. Such findings shall be set forth in the ordinance presented to the City Council for adoption following the public hearing on August 12, 2008. During a 30-day period following the public hearing, the Sedgwick County Board of County Commissioners and the USD 259 Board of Education will have the right to veto the establishment of the redevelopment district.

**Recommendations/Actions:** It is recommended that the City Council adopt the resolution providing notice of consideration for the establishment of the proposed redevelopment district and setting a public hearing for August 12, 2008.

**Attachments:** Resolution and Exhibits

## **HEALTH AND BENEFIT CONSULTING AGREEMENT**

**THIS AGREEMENT** is entered into this \_\_\_\_\_ day of June, 2008 by and between the City of Wichita, Kansas (hereinafter referred to as the City) and Aon Consulting, Inc., a New Jersey corporation having an office at 1000 Walnut Street, Suite 900, Kansas City, Missouri 64106 (hereinafter referred to as Consultant).

**WHEREAS**, The City requires professional, comprehensive health and benefit consulting services, including, but not limited to, strategic planning, plan benchmarking, plan design modeling, plan funding analysis, contribution modeling, claims and utilization analysis, vendor selection process, vendor selection, renewals, health and productivity analysis with recommendations and day-to-day client service for the City; and,

**WHEREAS**: The City desires to obtain professional health and benefit consulting services to prepare and issue a competitive RFP for all of the City's non-health insurance plans to be available for employee/retiree Open Enrollment not later than October 15, 2008, and such coverage to become effective December 1, 2008, or January 1, 2009, as may be required by the insurance carriers; and,

**WHEREAS**: The City requires review of the Self-Insured health employee benefit plans to establish their 2009 premium equivalents, determine their efficiency and effectiveness, re-bidding such services, if necessary, to be available for employee/retiree Open Enrollment not later than October 15, 2009, with such coverage to be effective January 1, 2010; and,

**WHEREAS**: The City is authorized by law to employ professional consulting services for health and benefits; and,

**WHEREAS**: The Consultant has submitted a proposal in response to the City's Request for Proposal No. FP800018, dated January 31, 2008 (see Exhibit B), offering to provide professional services to the City to complete the Scope of Services, and has been interviewed among other firms, by the City's Staff Screening and Selection Committee; and,

**WHEREAS**: The Consultant has demonstrated the knowledge and experience to undertake the Scope of Services on behalf of the City,

**NOW, THEREFORE**, the contracting parties do mutually agree as follows:

**SECTION 1. SCOPE OF SERVICES**. The Consultant agrees to provide the various technical and professional services to perform the tasks in a professional and diligent manner as determined by the City and as outlined in Exhibit B, RFP No. FP 800018 dated January 31, 2008, and per Exhibit C, Consultant's Proposal to Provide Employee Health and Benefit Consulting Services, dated March 3, 2008, as revised by the April 7, 2008, letter on Pricing Clarification, copies of which are attached hereto. Note that City benefit plans are not subject to ERISA.

Consultant agrees to designate a Project Manager for the coordination of the work that this Agreement requires to be performed.

The Consultant agrees to advise the City, in writing, of the person designated as Project Manager not later than five (5) days following issuance of the notice to proceed on the work required by this Agreement. The Consultant shall also advise the City of any changes in the person designated as Project Manager.

The designated Project Manager will coordinate all aspects of this Project through the City's Project Manager. Any requests from any other staff agency, which would affect the Consultant's time or expense relative to this Project, MUST be approved by the City's Project Manager.

The Consultant further agrees:

- A. To attend meetings with the City and other local, State and Federal agencies as necessitated by Exhibits B and C, including the City's Health Insurance Advisory Committee and/or the Wichita City Council.
- C. To make available during regular office hours upon reasonable notice with as little disruption as possible, all work such as the City may wish to examine periodically during performance of this Agreement.
- D. To save and hold the City harmless against all suits, claims, damages and losses for injuries to persons or property arising from or caused by errors, omissions or negligent acts of the Consultant, its agents, servants, employees, or subconsultants occurring in the performance of its services under this Contract.
- E. To accept compensation for the work herein described in such amounts and at such periods as provided in **SECTION 9. PAYMENTS** and that such compensation shall be satisfactory and sufficient payment for all work performed, equipment or materials used and services rendered in connection with the tasks as outlined in **SECTION VII. SCOPE OF SERVICES** on Pages 10 through 12 of Exhibit B.
- F. To complete the services to be performed by the Consultant within the time allotted for the project in accordance with **SECTION 2. TIME OF PERFORMANCE** and the schedule on Page 11 of Exhibit B EXCEPT that the Consultant shall not be responsible or held liable for delays occasioned by the actions or inactions of the City or God or other delays not reasonably within the Consultant's control.
- G. Covenants and represents to be responsible for the professional and technical accuracy and the coordination of all specifications, plans, studies, reports and/or other work or material furnished by the consultant under this Agreement



provided, however, that Consultant makes no such covenant and representation with respect to the accuracy and completeness of any data supplied to Consultant by the City or on its behalf. The City accepts sole responsibility for errors in the services resulting from inaccurate or incomplete data supplied to Consultant by the City or its vendors.

- H. The consultant further agrees, covenants and represents, that all specifications, plans, studies, reports and other work or material furnished by consultant, its agents, employees and subconsultants, under this Agreement, including any addition, alterations or amendments thereof, shall be substantially free from material negligent errors or omissions.

The City agrees to:

- A. To furnish all available data pertaining to the Project now in the City's files at no cost to the Consultant. Confidential material so furnished will be kept confidential by the Consultant.
- B. To provide standards as required for the Project.
- C. To pay the Consultant for its services in accordance with the requirements of this Agreement.
- D. To provide the right-of-entry for Consultant's personnel in performing field surveys and observations.
- E. To designate a Project Manager for the coordination of the work that this Agreement requires to be performed. The City agrees to advise the Consultant, in writing, of the person designated as Project Manager with the issuance of the notice to proceed on the work required by this Agreement. The City shall also advise the Consultant of any changes in the person designated as Project Manager.
- F. To examine all studies, reports, specifications, proposals, work and other documents presented by the Consultant in a timely fashion.

**SECTION 2. TIME OF PERFORMANCE.** The services of Consultant are to commence as soon as practicable after the City's issuance of the notice to proceed on the work, and shall be undertaken and completed in such sequence as to assure their expeditious completion pursuant to the Preliminary Project Plan/Timetable contained in Exhibit B, which may be amended by the City after consultation with the Consultant. The term of this Agreement shall be one year from the date of execution by the parties with four one-year options. The City agrees to notify the Consultant in writing whether it wishes to exercise any of the options to extend the Agreement sixty (60) days prior to termination of the agreement.

### **SECTION 3. RECORDS, REPORTS AND INSPECTION**

#### **A. Establishment and Maintenance of Records.**

Consultant shall establish and maintain records as reasonably prescribed by the City (with respect to all matters covered by this contract). Unless otherwise specified in writing by the City, Consultant shall retain such financial records for a period of three years after receipt of the final payment under this contract or termination of this contract.

**B. Documentation of Costs.** All costs with respect to the services per Exhibits B and C shall be supported by properly executed payrolls, time records, invoices, contracts or vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents pertaining in whole or in part to this contract shall be clearly identified and readily accessible.

**C. Reports and Information.** Consultant, at such times and in such forms as the City may reasonably require, shall furnish to the City such statements, records, reports, data and information as the City may request pertaining to matters covered by this contract. Consultant will submit said reports on the date(s) designated by the City. In addition, Consultant will submit all regularly required reports as itemized in Exhibits B and C on the due dates established therein.

**D. Audits and Inspections.** Consultant shall at any time during normal business hours and as often as the City may reasonably deem necessary make available to the City for examination all of its records and data with respect to all matters covered by this contract and shall permit the City or its designated authorized representative on reasonable notice, during normal business hours, and with the intent to minimize disruption to Consultant, to audit and inspect all invoices, materials, payrolls, and other records to the extent they relate to Consultant's compliance with this contract and other data relating to all matters covered by this contract.

**SECTION 4. CONFLICT OF INTEREST.** Members of the Board of the Consultant shall abstain from any action in regard to a pending matter before the Board which will affect any business in which such Board Member has a substantial interest as defined in K.S.A. 75- 4301.

**SECTION 5. DISCRIMINATION PROHIBITED.** No recipient or proposed recipient of any funds, services or other assistance under the provisions of this contract or any program related to this contract shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with the funds made available through this contract on the grounds of race, color, national origin, ancestry, religion, sex or age. (Reference Title VI of the Civil Rights Acts of 1964 Pub. L. 88-352). The Consultant further agrees to implement and comply with the "Revised Non-Discrimination and Equal Employment Opportunity/Affirmative Action Program Requirements Statement for Contracts or Agreements" as provided in Exhibit A attached hereto.

**SECTION 6. COMPLIANCE WITH LOCAL LAWS.** All parties shall comply with all applicable laws, ordinances, codes and regulations of the State of Kansas and local governments with respect to the services per Exhibits B and C.

**SECTION 7. ASSIGNABILITY.** Consultant shall not assign any interest in this contract without prior written consent of the City.

**SECTION 8. COPYRIGHTS.** If this contract results in a book or other materials which may be copyrighted, the author is free to copyright the work, but the City reserves a royalty-free, nonexclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use all copyrighted materials and all material which can be copyrighted. Notwithstanding the foregoing, the City acknowledges and agrees that Consultant is in the business of providing consulting services to clients utilizing its knowledge, including background software, ideas, concepts, methodologies, and processes ("Prior Works"). Consultant reserves all right, title and interest in and to any of the Prior Works which Consultant uses in the course of the performing the services hereunder; and Consultant grants the City worldwide, paid-up, royalty-free, nonexclusive and perpetual license to use such Prior Works utilized during the course of services or incorporated into any items delivered by us under this contract.

Nothing contained in this contract will prohibit Consultant from using any of its general knowledge or knowledge acquired under this contract to perform similar services for others; provided however, that Consultant will not (i) use any of City's confidential information in providing services to others, or (ii) if applicable, provide to others any custom software we created specifically for the City.

**SECTION 9. PAYMENTS.**

**A. Compensation and Method of Payment.** Compensation and method of payment to Consultant relative to conducting the operations of the project activities and services specified in Exhibit B and C will be a single stipulated lump sum fee of one-hundred seventeen thousand dollars per year (\$117,000 per year), except for the year 2012 as noted below, which shall constitute complete compensation for all of the services. Consultant shall invoice the City monthly for work actually completed and the City shall pay such invoices within forty-five (45) days of the City's receipt thereof.

**B. Total Payments.** Total payments to Consultant for the services in Exhibits B and C will not exceed \$117,000 per year for 2008, 2009, 2010, 2011, and a not to exceed amount of \$107,000 per year in 2012. The Consultant shall not accept any other form of compensation from any other company during the performance of its duties under this Agreement. This includes voluntary products. If a commission or other form of payment is made to Consultant pursuant to this Agreement, the Consultant shall forward any and all commissions relating to this Agreement to the City.

**C. Restriction on Disbursement.** No tax funds shall be disbursed to a subcontractor of Consultant except pursuant to a written contract that incorporates by reference the general conditions of this contract.

**D. Unearned Payments.** Under this contract unearned payments may be suspended or terminated upon refusal to accept any additional conditions that may be reasonably imposed by the City.

**SECTION 10. TERMINATION CLAUSE.** Upon breach of the contract by Consultant, the City, by giving written notification 60 days in advance, may terminate this contract immediately. A breach shall include, but not be limited to, failure to comply with any or all items contained within Section 1 through Section 21, Exhibits and/or provisions of any subsequent contractual amendments executed relative to this contract.

The right is reserved to the City to terminate this Agreement, upon written notice, in the event the Project is to be abandoned or indefinitely postponed, or because of the Consultant's inability to proceed with the work, or because the services of the Consultant are unsatisfactory; PROVIDED, however, that in any case the Consultant shall be paid the prorata value of the services rendered up to the time of termination on the basis of the provisions of this Agreement., All work pertaining to the Project shall become the property of the City upon completion or termination of the Consultant's services in accordance with this Agreement; and there shall be no restriction or limitation on their further use by the City. Provided, however, that the City shall hold the Consultant harmless from any and all claims, damages or causes of action which arise out of such further use without the participation of the Consultant. The Consultant may terminate this contract with 60 days advance written notice to the City.

#### **SECTION 11. LIMITATION OF LIABILITY**

- A. Except with respect to the hold harmless set forth in Section 1(D), the City agrees that the liability of Consultant, including its officers, directors, employees, agents, affiliates and parent companies, for damages shall be limited to the annual amount of fees paid pursuant to this engagement in the calendar year in which the breach occurred, except to the extent resulting from the bad faith or intentional misconduct of Consultant's personnel.
- B. Notwithstanding the foregoing, in no event will either party be liable to the other party for any indirect, incidental, special, consequential, exemplary or reliance damages (including, without limitation, lost or anticipated revenues or profits) arising out of this Agreement or the use of the services and/or deliverables on any theory of liability, even if the party is advised of the possibility of such damages.
- C. This Section shall survive the termination or expiration of this Agreement.

#### **SECTION 12. AMENDMENTS.**

**A. Changes.** To provide necessary flexibility for the most effective execution of this project, whenever both the City and Consultant mutually agree, changes in this contract may be effected by placing them in written form and incorporating them into this contract.

**B. City Council Approval.** Any changes in the approved budget must be requested and justified in writing. Changes over \$10,000 must be presented to and approved by the City Council.

**C. Budget Transfers.** All budget transfers shall be approved and signed by all the signatories of the original contract if such a transfer shall substantially change the intent of the contract. Upon determination by the City Manager that such an amendment should be presented to the City Council for approval, the City Manager shall place the amendment on the City Council's Agenda for consideration by the governing body.

**SECTION 13. PERSONNEL AND SERVICES.** All services required herein will be performed by Consultant under the direction of its Project Manager or Timothy Nimmer, Senior Vice President.

**SECTION 14. INDEPENDENT CONTRACTOR.** The relationship of the Consultant to the City will be that of an independent contractor. No employee or agent of the Consultant shall be considered an employee of the City.

**SECTION 15. NO ARBITRATION.** The Consultant and the City shall not be obligated to resolve any claim or dispute related to the Contract by arbitration. Any reference to arbitration in any competitive proposal documents is deemed void and deleted from such documents.

**SECTION 16. RENEGOTIATION.** This contract may be renegotiated in the event alternate sources of funding become available during the term of this contract provided, however, that the parties mutually agree, in writing, to any new terms or conditions as a result of such renegotiation.

**SECTION 17. ANTITRUST LITIGATION.** For good cause, and as consideration for execution of this contract, Consultant, acting herein by and through its authorized agent, hereby conveys, sells, assigns and transfers to the City of Wichita all right, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of Kansas, relating to the particular product, products, or services purchased or acquired by Consultant pursuant to this contract.

**SECTION 18. INSURANCE.** The Consultant shall procure and maintain such insurance during the term of this contract and any extensions thereof in the amounts and manner as provided as follows:

1. Comprehensive General Liability covering premises—operations, xcu (explosion, collapse and underground) hazards when applicable, Product/Completed operations, Broad Form Property Damage, (Environmental) and Contractual Liability with minimum limits as follows:

Bodily Injury Liability	\$500,000 each occurrence \$500,000 each aggregate
Property Damage Liability	\$500,000 each occurrence \$500,000 each aggregate
Or	

Bodily Injury and Property Damage	\$500,000 each occurrence
Liability (Combined Single Limit)	\$500,000 each aggregate

2. Automobile Liability - Comprehensive Form including all owned hired and non-owned vehicles with minimum limits for:

Bodily Injury Liability	\$500,000 each accident
Property Damage Liability	\$500,000 each accident

Or

Bodily Injury and Property Damage Liability (Combined Single Limit)	\$500,000 each accident
--	-------------------------

3. Workers' Compensation/Employers Liability for minimum limits of:  
Employers Liability \$100,000 each accident

The Consultant shall procure and maintain such insurance during the term of this contract and any extensions thereof will protect the Consultant from damages resulting from the negligent acts of the Consultant, its officers, employees and subconsultants in the performance of the professional services rendered under this Agreement. Such policy of insurance shall be in an amount not less than \$100,000. Satisfactory Certificates of Insurance shall be filed with the City before the time the Consultant starts any work under this Agreement. In addition, insurance policies applicable hereto shall contain a provision that provides that the City shall be given thirty (30) days written notice before such policy is canceled.

**SECTION 19. PARTIES BOUND** It is further agreed that this Agreement and all Contracts entered into under the provisions of this Agreement shall be binding upon the parties hereto and their successors and assigns.

**SECTION 20. WAIVERS** Neither party's review, approval or acceptance of, nor payment for, or performance of any of the work or services required to be performed by the other party under this Agreement shall be construed to operate as a waiver of any right under this Agreement or any cause of action arising out of the performance of this Agreement.

**SECTION 21. ADDITIONAL RIGHTS** The rights and remedies of parties provided for under this Agreement are in addition to any other rights and remedies provided by law.

**SECTION 22. THIRD PARTY BENEFICIARY** It is specifically agreed between the parties executing this Agreement, that it is not intended by any of the provisions of any part of this Agreement to create the public or any member thereof a third party beneficiary hereunder, or to authorize anyone not a party to this Agreement to maintain a suit for damages pursuant to the terms or provisions of this Agreement.

**SECTION 23. APPENDICES.** All exhibits referenced in this contract and all amendments of mutually agreed upon modification made by both parties are hereby incorporated as though fully set forth herein.

**EXHIBIT A** - Non-discrimination and Equal Employment Opportunity Statement

**EXHIBIT B** – City of Wichita Request For Proposal No. FP800018 dated January 31, 2008

**EXHIBIT C** – Aon Consulting Proposal to Provide Health and Employee Benefit Consulting Services dated March 3, 2008, as revised by the April 7, 2008, letter on Pricing Clarification

IN WITNESS WHEREOF, the parties have executed this contract on the \_\_\_\_\_ day of June, 2008.

\_\_\_\_\_  
Kelley Stuck, Vice President,  
Aon Consulting, Inc.

\_\_\_\_\_  
Date

**THE CITY OF WICHITA, KANSAS**  
By Direction of the City Council


\_\_\_\_\_  
Carl Brewer, Mayor

\_\_\_\_\_  
Date

**ATTEST:**

\_\_\_\_\_  
Karen Sublett, City Clerk

**Approved as to Form:**

  
\_\_\_\_\_  
Gary Rebenstorf, Director of Law



**REVISED NON-DISCRIMINATION AND  
EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION PROGRAM  
REQUIREMENTS STATEMENT FOR CONTRACTS OR AGREEMENTS**

During the term of this contract, the contractor or subcontractor, vendor or supplier of the City, by whatever term identified herein, shall comply with the following Non-Discrimination--Equal Employment Opportunity/Affirmative Action Program Requirements:

- A. During the performance of this contract, the contractor, subcontractor, vendor or supplier of the City, or any of its agencies, shall comply with all the provisions of the Civil Rights Act of 1964, as amended: The Equal Employment Opportunity Act of 1972; Presidential Executive Orders 11246, 11375, 11131; Part 60 of Title 41 of the Code of Federal Regulations; the Age Discrimination in Employment Act of 1967; the Americans with Disabilities Act of 1990 and laws, regulations or amendments as may be promulgated thereunder.
- B. Requirements of the State of Kansas:
1. The contractor shall observe the provisions of the Kansas Act against Discrimination (Kansas Statutes Annotated 44-1001, et seq.) and shall not discriminate against any person in the performance of work under the present contract because of race, religion, color, sex, disability, and age except where age is a bona fide occupational qualification, national origin or ancestry;
  2. In all solicitations or advertisements for employees, the contractor shall include the phrase, "Equal Opportunity Employer", or a similar phrase to be approved by the "Kansas Human Rights Commission";
  3. If the contractor fails to comply with the manner in which the contractor reports to the "Kansas Human Rights Commission" in accordance with the provisions of K.S.A. 1976 Supp. 44-1031, as amended, the contractor shall be deemed to have breached this contract and it may be canceled, terminated or suspended in whole or in part by the contracting agency;
  4. If the contractor is found guilty of a violation of the Kansas Act against Discrimination under a decision or order of the "Kansas Human Rights Commission" which has become final, the contractor shall be deemed to have breached the present contract, and it may be canceled, terminated or suspended in whole or in part by the contracting agency;
  5. The contractor shall include the provisions of Paragraphs 1 through 4 inclusive, of this Subsection B, in every subcontract or purchase that pertains to this grant, so that such provisions will be binding upon such subcontractor or vendor.
- C. Requirements of the City of Wichita, Kansas, relating to Non-Discrimination -- Equal

Employment Opportunity/Affirmative Action Program Requirements:

1. The vendor, supplier, contractor or subcontractor shall practice Non-Discrimination -- Equal Employment Opportunity in all employment relations, including but not limited to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The vendor, supplier, contractor or subcontractor shall submit an Equal Employment Opportunity or Affirmative Action Program, when required, to the Department of Finance of the City of Wichita, Kansas, in accordance with the guidelines established for review and evaluation;
  2. The vendor, supplier, contractor or subcontractor will, in all solicitations or advertisements for employees placed by or on behalf of the vendor, supplier, contractor or subcontractor, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, "disability, and age except where age is a bona fide occupational qualification", national origin or ancestry. In all solicitations or advertisements for employees the vendor, supplier, contractor or subcontractor shall include the phrase, "Equal Opportunity Employer", or a similar phrase;
  3. The vendor, supplier, contractor or subcontractor will furnish all information and reports required by the Department of Finance of said City for the purpose of investigation to ascertain compliance with Non-Discrimination -- Equal Employment Opportunity Requirements. If the vendor, supplier, contractor, or subcontractor fails to comply with the manner in which he/she or it reports to the City in accordance with the provisions hereof, the vendor, supplier, contractor or subcontractor shall be deemed to have breached the present contract, purchase order or agreement and it may be canceled, terminated or suspended in whole or in part by the City or its agency; and further Civil Rights complaints, or investigations may be referred to the State;
  4. The vendor, supplier, contractor or subcontractor shall include the provisions of Subsections 1 through 3 inclusive, of this present section in every subcontract, subpurchase order or subagreement that pertains to this contract, so that such provisions will be binding upon each subcontractor, subvendor or subsupplier..
  5. If the contractor fails to comply with the manner in which the contractor reports to the Department of Finance as stated above, the contractor shall be deemed to have breached this contract and it may be canceled, terminated or suspended in whole or in part by the contracting agency;
- D. Exempted from these requirements are:
1. Those contractors, subcontractors, vendors or suppliers who have less than four (4) employees, whose contracts, purchase orders or agreements cumulatively total less than

five thousand dollars (\$5,000) during the fiscal year of said City are exempt from any further Equal Employment Opportunity or Affirmative Action Program submittal.

2. Those vendors, suppliers, contractors or subcontractors who have already complied with the provisions set forth in this section by reason of holding a contract with the Federal government or contract involving Federal funds; provided that such contractor, subcontractor, vendor or supplier provides written notification of a compliance review and determination of an acceptable compliance posture within a preceding forty-five (45) day period from the Federal agency involved.

EXHIBIT B

**REQUEST FOR PROPOSAL NO. – FP800018**

Sealed Request for Proposal will be received in the office of the City Purchasing Manager, 12th Floor, City Hall, 455 North Main, Wichita, Kansas, prior to **5:00 O'CLOCK P. M., MONDAY, MARCH 3, 2008.** **One (1) original and ten (10) copies of the proposal are required.** Envelopes must be marked "Request for Proposal FP800018" and show **Due Date and Time** to identify contents. "Request For Proposal" submittal letter must be signed and dated to submit a proposal for:

**FINANCE DEPARTMENT/RISK MANAGEMENT DIVISION**

Health and Benefits Consulting Services

AS PER SPECIFICATIONS

F.O.B.: Wichita, KS

Specifications for the sealed proposals are on file in the office of the City Purchasing Manager, 12th Floor, City Hall, 455 North Main, Wichita, Kansas, (316) 268-4636. This information is also available on the City of Wichita Web Site at <http://ep.wichita.gov>.

Sealed proposals shall be received in the office of the City Purchasing Manager prior to 5:00 o'clock p.m., Monday, March 3, 2008.

The review and evaluation of the submitted Proposals will take estimated 60 to 90 days before notification from the City of Wichita that a contract has been approved by City Council. If the Purchasing Division may be of further assistance, please contact us at (316)268-4636.

Dated at Wichita, Kansas, on the 31st day of January, 2008.

Melinda A. Walker  
Purchasing Manager

## NOTICE...NOTICE...NOTICE

### NON-DISCRIMINATION/EQUAL EMPLOYMENT OPPORTUNITY

#### AFFIRMATIVE ACTION PROGRAM REQUIREMENTS

1. It is the policy of the City of Wichita to require that all contracts of the City and its agencies include provisions to ensure that applicants for employment with its contractors, subcontractors, vendors and suppliers are selected and employees are treated during employment, without regard to race, color, sex, religion, national origin, ancestry, disability, or age except where age is a bona fide occupational qualification.

2. The Kansas Act Against Discrimination (Kansas Statutes Annotated 44-1001 et. seq., as amended) requires every person who enters into a contract with the City of Wichita for construction, alteration or repair of any public building or public work or for the acquisition of materials, equipment, supplies or services to:

- a. Observe the provisions of the Kansas Act Against Discrimination and not to discriminate against any person in the performance of work under the present contract because of race, religion, color, sex, disability, or age unrelated to such person's ability to engage in the particular work.
- b. In all solicitations or advertisement for employees, the contractor shall include the phrase "EQUAL OPPORTUNITY EMPLOYER" or a similar phrase to be approved by the Kansas Human Rights Commission.
- c. Upon request, inform the Kansas Human Rights Commission and/or the City Of Wichita Finance Department in writing the manner in which such person will recruit and screen personnel to be used in performing the contract.
- d. Contractor shall include the provisions of Paragraphs (a), (b), (c), and (d) of this Paragraph 2, in every subcontract or purchase order so that such provisions will be binding upon such subcontractor or vendor.
- e. EXEMPTED from these requirements are:
  - (1) Any contractor who has already complied with the provisions set forth in these sections by reason of holding a contract with the federal government or a contract involving federal funds. (Proof of compliance is required).
  - (2) Contracts entered into by any contractor who employs fewer than four (4) employees during the term of such contract.
  - (3) Contractors who hold contracts with the City of Wichita with a cumulative total value of five thousand dollars (\$5,000.00) or less during the City fiscal year.
- f. Reports requested by the Kansas Human Rights Commission shall be made on forms prepared by the Commission, copies of which are available from the Kansas Human Rights Commission, Contract Auditor, 900 S.W. Jackson Street, Suite 851 S., Topeka, Kansas, 66612.

3. During the performance of any City contract or agreement, the contractor, subcontractor, vendor or supplier of the City shall comply with all the provisions of the Civil Rights Act of 1964, as amended; The Equal Employment Act of 1972, Executive Orders 11246, 11375, 11141, Part 60 Title 41 of the Code of Federal Regulations; the Age Discrimination in Employment Act of 1967, the Rehabilitation Act of 1973, The Americans with Disabilities Act and/or any law, regulation or amendments as may be promulgated thereunder.

4. Failure of any contractor, subcontractor, vendor or supplier to report to the Kansas Human Rights Commission as required by K.S.A. 1976 Supp. 44-1031 as amended or State statutes, Federal statutes or regulations pertaining to discrimination, which finding or decision or order has become final, shall be a breach of contract and any such contract may be canceled, terminated or suspended in whole or in part by the City or its contracting agency.

5. Compliance with the Equal Employment Opportunity requirements of the City of Wichita does not relieve the contractor, subcontractor, vendor or supplier of the necessity of also complying with the Kansas Act Against Discrimination.

Exemptions Claimed: Four (4) Employees or less; Federal Contract, Contract less than \$5,000.00.

**NOTE:** You will be contacted if you are the successful vendor and do not have a current EEO/AA submittal on file with the Purchasing Office and/or have not REGISTERED VIA THE CITY'S WEB SITE: <http://ep.wichita.gov> . Questions about the City of Wichita's EEO/AA submittal requirements should be directed to (316) 268-4508.

# **CITY OF WICHITA, KANSAS**

## **REQUEST FOR PROPOSAL FP800018**

### **HEALTH AND BENEFITS CONSULTING SERVICES**

#### **I. INTRODUCTION**

The City of Wichita is inviting proposals for consultation services for employee benefits. Any inquiries concerning the Request for Proposals should be directed to Thomas B. Smith, Risk Manager, at (316) 268-4271 or via email at [tsmith@wichita.gov](mailto:tsmith@wichita.gov).

To be considered, **one (1) original and ten (10) copies of the proposal** must be received by the Purchasing Manager by **5:00 p.m., Monday, March 3, 2008**. An authorized signature **must** be on the proposal cover. All proposals must be submitted on 8 ½" X 11" white paper (no legal size or odd size pages are permitted). The Consultant must list the official contact person, company name, telephone number and mailing address in the proposal. The City of Wichita reserves the right to make an award on the basis of greatest benefit to the City and not necessarily on the lowest price. To meet the public need, the City reserves the right to accept or reject any or all proposals submitted. The City also reserves the right to accept part or all of a specific proposal, and reserves the right to select a single vendor or more than one vendor to provide a specific service. Proposals submitted will be evaluated by a Selection Committee.

During the evaluation process, the City of Wichita reserves the right, where it may serve the City's best interests, to request additional information or clarifications from Consultants, or to allow corrections of errors or omissions. At the discretion of the City or the Selection Committee, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The City reserves the right to retain all proposals submitted and to retain any ideas in a proposal regardless of whether a proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in the Request for Proposal.

#### **II. BACKGROUND**

The City of Wichita is the largest city in Kansas with a population of 345,850 and is the seat of Sedgwick County. Major highways, including the Kansas Turnpike (I-35), Interstate 135 and U.S. 54 (Kellogg Avenue) link the City with a large trade area that encompasses a population of more than 1 million people within a 100 mile radius. The City and its component units provide a full range of municipal services, including police and fire protection, parks and recreation programs, libraries, art museum, public housing, environmental health services, infrastructure improvements, municipal transportation, airports, water and sewer utilities, planning and zoning services, general maintenance of facilities, infrastructure and green spaces, internal support services and general administration.

The City employs approximately 3,100 full time persons (with 7,800 covered lives) and 300 to 500 part-time employees. Part-time employees are not eligible for medical benefits.

Beginning in 2003, most seasonal staff was largely contracted labor from private companies.

The following employee benefits are full-insured products currently available for full-time employees:

- Voluntary Dental Insurance;
- Vision Coverage;
- Life Insurance;
- Supplemental Life Insurance;
- Voluntary Long-Term Disability Insurance;
- Section 125 Flexible Spending Accounts;
- Long Term Care;
- On-Site Wellness Program;

The following employee benefits are Self-insured:

- Medical and prescription coverage

These benefits are further described in the following:

## **CITY OF WICHITA - BENEFITS FOR FULL-TIME EMPLOYEES**

The City of Wichita offers a comprehensive benefit package. This summary describes only the *highlights*, not all features or expenses.

### **PREMIUM PPO HEALTH INSURANCE**

This Preferred Provider Organization Plan does not require an employee to select Primary Care Physicians for themselves or family members. It is not necessary to obtain referrals for specialists. Full benefits are paid as long as Coventry contracting providers are used.

- Co-pay for office visits is \$20.
- The inpatient hospital co-pay is \$100/day for a maximum of 5 days per person, 10 days for family (\$500/\$1000).
- Outpatient surgery co-pay is \$200.
- Maternity (other than inpatient) co-pay is \$20 for all prenatal and postnatal services.

The annual maximum benefit per covered person per year is \$500,000. The lifetime maximum per covered person is \$2,000,000.

The Contracting hospital in Wichita is Wesley Medical Center.

### **EXTRA COST OF UTILIZING AN OUT OF NETWORK PROVIDER**

Option of self-referral outside the Coventry network:

- Pay first \$200 out-of-pocket (deductible) for individuals and \$400 out-of-pocket for family.
- Pay 50% of charges up to a maximum of another \$1000 per individual and \$2000 per family.

*(This amount is based upon normal allowance for covered services and may be more than 50% of charged rate)*

- After that the plan will pay its normal allowance for covered services. Employee will be responsible for the difference between that allowance and the non-network provider's charges ("balance billing").
- Except in case of an emergency, self-referring to a non-contracting hospital can be very costly because of the balance billing feature. Non-contracting hospital benefits can be the same as contracting if the service required can only be provided at the non-contracting facility.

### **Premium Prescription Plan**

Provided by Coventry under contract with CareMark.

The list of participating pharmacies is in the Coventry provider directory.

Mail order prescription service is available, but not mandatory, for maintenance prescriptions. There is a 33% savings for a 90-day supply. (2 co-payments for a 3-month supply).

The co-payments are:

	<u>Pharmacy</u> 1-month supply	<u>Mail Order</u> 3-month supply
Generic	\$5	\$10
Formulary Brand	\$15	\$30
Non-Formulary Brand	\$40	\$80

**The lifetime maximum benefit per covered person for prescriptions is \$500,000.**

**2008 premiums** for the Premium Self-Insured health insurance package including Vision coverage is as follows. Vision Care premiums are currently \$9.90 for a Single and \$26.51 for a Family per month.

Effective Dec 7, 2007

<b>Premium</b>	<b>Total Monthly Premium</b>	<b>City Share (80%)</b>	<b>Employee Share (20%)</b>	<b>Bi-Weekly Deduction (Each Pay Day)</b>
Single	\$ 347.63	\$278.09	\$ 69.54	\$ 34.77
Family	\$ 1,039.83	\$831.85	\$ 207.98	\$ 103.99



**Vision Care Plan****VSP – Vision Service Plan**

- One Eye Exam each 12-month period.
- Spectacle Lenses each 12 months for adults and children
- Frames each 24 months for adults
- Frames each 12 months for children 17 and under
- \$40 Copay for Spectacle lenses
- Contact Lenses up to \$150 each 12-month period

**SELECT PPO HEALTH INSURANCE**

This Preferred Provider Organization Plan does not require the selection of a Primary Care Physicians. It is not necessary to obtain referrals for specialists. Full benefits are paid as long as Coventry contracting providers are used. However, an employee utilizes a specialist's services the co pay amount will be more than the co pay for the services of a Primary Care Physician.

- Co-pay for Primary Care Physician office visits is \$25. A PCP includes Family Practice, Internal Medicine, General Practice, and Pediatrics
- Co-pay for Specialist office visits is \$50
- The inpatient hospital cost for and in network service is: \$500/1000 Deductable plus 20% coinsurance
- Outpatient surgery cost for and in network service is: \$500/1000 Deductable plus 20% coinsurance.
- Maternity (other than inpatient) co-pay is \$25 for all prenatal and postnatal services.

The annual maximum benefit per covered person per year is \$500,000. The lifetime maximum per covered person is \$2,000,000.

The Contracting hospital in Wichita is Wesley Medical Center.

See the Coventry provider directory for all the contracting facilities in Kansas, and all other providers.

**EXTRA COST OF UTILIZING AN OUT OF NETWORK PROVIDER**

Option of self-referral outside the Coventry network:

- Pay first \$1,000 out-of-pocket (deductible) for individuals and \$2,000 out-of-pocket for family.
- Pay 50% of charges up to a maximum of another \$5,000 per individual and \$10,000 per family.  
*(This amount is based upon normal allowance for covered services and may be more than 50% of charged rate)*
- After that the plan will pay its normal allowance for covered services. You will be responsible for the difference between that allowance and the non-network provider's charges ("balance billing").
- Except in case of an emergency, self-referring to a non-contracting hospital can be very costly because of the balance billing feature.

- Non-contracting hospital benefits can be the same as contracting if the service required can only be provided at the non-contracting facility.

### **Select Prescription Plan**

Provided by Coventry under contract with CareMark.

The list of participating pharmacies is in the Coventry provider directory.

Mail order prescription service is available, but not mandatory, for maintenance prescriptions. There is a 33% savings for a 90-day supply. (2 co-payments for a 3-month supply).

The co-payments are:

	<u>Pharmacy</u>	<u>Mail Order</u>
	1-month supply	3-month supply
Generic	\$10	\$20
Formulary Brand	\$25	\$50
Non-Formulary Brand	\$50	\$100

**The lifetime maximum benefit per covered person for prescriptions is \$500,000.**

**2008 premiums** for the Select health insurance package, including the Vision Care Plan are as follows:

Effective Dec 7, 2007

<b>Select</b>	<b>Total Monthly Premium</b>	<b>City Share</b>	<b>Employee Share</b>	<b>Bi-Weekly Deduction (Each Pay Day)</b>
Single	\$ 286.84	\$264.84	\$ 21.98	\$ 10.99
Family	\$ 859.45	\$794.13	\$ 65.32	\$ 32.66

### **Vision Care Plan**

One Eye Exam each 12-month period.

Spectacle Lenses each 12 months for adults and children

Frames each 24 months for adults

Frames each 12 months for children 17 and under

\$40 Copay for Spectacle lenses

Contact Lenses up to \$150 each 12-month period

### **DENTAL INSURANCE**

The City offers two 100% **employee-paid** Delta Dental plans - Delta Traditional and Delta Preferred. Pre-tax deduction of premium is offered.

The benefits under both plans are identical - 100% of the Delta allowance is paid for diagnostic and preventive services, 80% for restorative services and 50% for major services.

There is a \$50 per person deductible for restorative and major services that cap at \$150 for the family per year. The annual benefit limit per covered person is \$1000.

The difference between the plans is the dentists available. Delta Preferred is less expensive because it has a small network of general dentists and specialists that must be used for benefits to be paid. Delta Traditional allows use of ANY dentist, although out-of-pocket expenses are lower if a dentist in the large Traditional network is used.

## **GROUP TERM LIFE INSURANCE**

This low-cost group term life insurance plan is through Minnesota Life. Employees pay approximately 1/3 of the net premium cost. Coverage is twice the employee's current annual salary (maximum of \$150,000 in coverage). Dependent coverage is available too - \$4000 each - for an additional \$0.21 per payday. Accidental death (benefit doubles if death is accidental) and dismemberment coverage is included. This plan is guaranteed issue for the first 30 days following beginning of employment. If the employee enrolls after the first 30 days, evidence of insurability will be required and coverage may be denied based upon health information.

## **SUPPLEMENTAL LIFE INSURANCE**

This supplemental coverage available through Minnesota Life is a 100% **employee-paid** insurance that is available to all employees enrolled in the Basic Group Term Life Insurance. They may elect 1, 2, 3, 4 times their annual salary, up to a maximum \$1,000,000.00 (combined maximum with Basic Life Insurance). This plan is guaranteed issue for the first 30 days following beginning of employment for up to 2 times an employee's salary. For amounts exceeding this, the employee must submit evidence of insurability and may be denied coverage based upon health information. If the employee enrolls after the first 30 days, evidence of insurability will be required and coverage may be denied based upon health information. This insurance is fully portable and the employee can take it with them with very little penalty.

## **VOLUNTARY ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE**

Also available through Minnesota Life, this **employee-paid** plan offers more A D & D coverage than the Group Life plan. Employees may choose additional amounts of coverage for themselves, or to include family members, ranging from \$25,000 up to \$500,000. This plan may be enrolled in at anytime, and does not require any evidence of insurability.

## **LONG-TERM DISABILITY INSURANCE**

This **employee-paid** plan from Cigna offers replacement of monthly income lost because of a qualifying disability. Premium is determined by the benefit selected and the employee's age. The minimum benefit is \$500/month; the maximum is approximately 60% of monthly City base pay. Employees may select any \$100 increment of coverage between these amounts. Benefits are tax-free if the person is off work, and can last until Social Security retirement age. There is a 90-day exclusion period after meeting the disability definition before benefits start. Enrollment period is during the annual open enrollment period (October 15-November 15). This plan is guaranteed issue for the first 30 days following beginning of employment. If the employee enrolls after the first 30 days, evidence of insurability will be required and coverage may be denied based upon health information.

## **LONG-TERM CARE INSURANCE**

This **employee-paid** plan from UNUM offers facility and home care benefits for employees, spouses and some other family members. Premium is determined by the coverage options selected, and can be payroll deducted for the employee and/or spouse. This plan addresses the growing need for parental care, plus the opportunity to provide for self and spouse-care in the future at low cost locked in now.

## **FLEXIBLE SPENDING ACCOUNTS**

This tax-saving program allows employees to make pre-tax deductions for dependent care and unreimbursed medical expenses, reducing the cost of these services. ASI, the plan administrator, reimburses claims for qualifying and documented expenses on the same day received or the next day, either by check or direct deposit. The maximum yearly election allowed for unreimbursed medical expenses is \$5000; for dependent care, \$5000.

## **ON-SITE WELLNESS PROGRAM**

The City contracts with Wellness Coaches USA to provide on-site Wellness Coaches who perform personal Health Risk Assessments, help develop an employee plan for each employee, conduct biometric, obesity and other types of tests on-site at no cost to the employee. The Wellness Coaches are housed in City Hall and directly interact with all 3,100 employees. The Wellness Coaches also operate an aggressive outreach and communications plan. Year to date totals for 2007 were: 1,893 Health Risk Assessments completed, 3,691 Biometric screenings were performed and 3,000 employees reached. This program is financed 80% City/20% Employee.

## **III. PARTICIPATION**

City of Wichita employees are represented by four different unions and one non-union employee group. These include: Service Employees International Union, International Association of Firefighters, Fraternal Order of Police, Teamsters Union and the non-union Employees Council. They participate in a Health Insurance Advisory Committee and review all City benefit plans.

Estimated participation for life insurance, Voluntary Accidental Death and Dismemberment and Long Term Care are as follows:

Life	858
Supplemental Life	766
Voluntary Accidental Death and Dismemberment	458
Long Term Care	45
Long Term Disability	596

Flexible Spending Account

349

Wellness

3,000

Listed in the following table is the Self-Insured health insurance participation.

**Health (medical, vision and prescription)**

Group	Single Enrollments	Family Enrollments	Total Enrolled Employees
Premium PPO	945	1779	2724
Select PPO	22	37	59
Retirees	208	67	275
COBRA	17	1	18
<b>Totals</b>	<b>1192</b>	<b>1884</b>	<b>3076</b>

The City has approximately 300 retirees who participate in the health benefits plan. A total of 115 of these retirees participate on 25% City/75% retiree basis. The remaining retirees (185) pay the entire cost (100%) of the premiums. Retiree insurance premiums are included as a part of the City active employee group and retirees do not currently pay a surcharge. Coverage ends at age 65.

**Dental** participation for 2008 is as follows:

	Delta Preferred (DMO)	Delta Traditional
Single	330	534
Couple	210	412
Family	347	537
Total	887	1483

#### IV. WELLNESS

The City has an active, on-site Wellness provider called Wellness Coaches USA. In addition, the City takes advantage of our TPA's capabilities and local community services as much as possible and relying upon them for development of programs and services

### Background

Over the past few years the City has implemented a number of strategies to mitigate the cost associated with treating the healthcare needs of its members. At this time, the City would like to explore initiatives that would reduce the demand for healthcare services by actively *improving* the health of employees and their dependents.

Preliminary discussions have identified the following areas of interest:

- Nutrition
- Exercise
- Smoking cessation
- Stress/depression

First, Consultants will examine our claim data in more detail to ensure the four primary areas of interest are the most appropriate for the City. Consultants will also perform an initial classification of the identified initiatives in terms of immediate, short-term and long-term opportunities.

Second, Consultants will identify the metrics that will best enable the City to measure the relevant clinical and behavioral components of its employee population for purposes of baseline and ongoing evaluation. Consultants will also help the City to determine how this data will be obtained. In some instances, the City may be able to use existing/internal resources whereas other measurements might warrant a specific vendor or other external resource. Consultants will analyze the City's data, the associated short and long-term expense and the overall value as compared to alternative resources. The table below references examples of some of the options Consultants should consider:

Initiatives	Measurement	Resource(s)
■ Nutrition	■ Health Risk Assessment	■ City of Wichita
■ Exercise	■ Body Mass Index	■ Coventry
■ Smoking Cessation	■ Employee survey	■ Employee Assistance Program
■ Stress/Depression	■ Blood pressure	■ Wellness Vendor
	■ Cholesterol screening	
	■ Health Risk Assessment	
	■ Use of antidepressants	
	■ Days missed from work	
	■ Diagnostic Information	
	■ Other biometrics	

These measurements/metrics will be used to monitor program performance and to calculate the financial impact the City's Health Improvement initiatives have on the City's health care spending and overall employee health. Consultants should collect data necessary to provide a cost/benefit analysis after three years of operation of the Wellness Program.

## **V. TERM OF ENGAGEMENT**

The term of the contract will be one (1) year with the option to renew for four additional (1) one year terms upon mutual agreement of both parties. The contract will provide that either party may terminate the contract upon providing thirty day (30) written notice.

## **VI. SUBCONTRACTING/JOINT VENTURES**

Firms are encouraged to consider subcontracting portions of the contract to minority business enterprises and women-owned businesses. A joint venture between two or more firms is wholly acceptable if it serves the best interests of the City. If this is done, the names of the proposed subcontracting firms must be clearly identified in the proposal. Following award of the contract, no additional subcontracting will be permitted without the express prior written consent of the City. The firm receiving the contract award will be responsible for any work of such subcontractors.

## **VII. SCOPE OF SERVICES**

The City has entered into a new contract for self-insurance health services (TPA) beginning in January 2008 with an option to renew in 2009. The City of Wichita is requesting proposals for the provision of services for the following:

- Review existing benefit plans and make recommendations for cost-effective improvement for consideration by City management team.
- Survey and prioritize benefit plan needs.
- Establish strategic goals and objectives for long term health care and benefit plans.
- Develop and issue a competitive Request for Proposals (RFP) in 2009 for all **non-health** benefit providers that meet the timetable listed herein below.
- Screen RFP responses and work with staff Screening and Selection Committee to select firms to interview for final selection for all 2009 **non-health** benefit plans.
- Assist with preparation and presentation of 2009 non health benefit plans to employee/union Health Insurance Advisory Committee.
- Assist with preparation and presentation of recommended 2009 health care and non-health benefit plans to City Council.
- Develop with Wellness vendor a clear baseline of overall employee health, create and evaluate strategies for improvement of employee health, and set goals for improvement over time. Develop performance measures and Return on Investment indicators for the Wellness provider.
- Review all health TPA self-insurance reports and provide analysis to City Management for proper operation of the self-insured health program.
- Develop annual "premium equivalents" for the self-insured health plan prior to October 15 each year.
- Develop, prepare, and send an independent City of Wichita Self-Insurance Cost Analysis that includes the all of the elements in Exhibit A on a monthly basis to City management staff.

Consultants must specifically execute the following actions in 2008 on a timetable established by the City. The Consultant can have input to the timetable, but much of the timetable is based on law, regulation or policy. All bidding must be undertaken through the City's Purchasing Division.

Benefit/Item	Action
Vision	<ol style="list-style-type: none"> <li>1. Review plan design and contract and make recommendations for change/updating of provisions.</li> <li>2. Competitively bid program in 2008 for operation for Open Enrollment October 15, 2008 and full operation January 1, 2009.</li> </ol>
Basic Life Insurance/dependent life/basic AD&D	<ol style="list-style-type: none"> <li>1. Review plan design and contract and make recommendations for change/updating of provisions.</li> <li>2. Competitively bid program in 2008 for operation for Open Enrollment October 15, 2008 and full operation January 1, 2009.</li> </ol>
Supplemental Life	<ol style="list-style-type: none"> <li>1. Review plan design and contract and make recommendations for change/updating of provisions.</li> <li>2. Competitively bid program in 2008 for operation for Open Enrollment October 15, 2008 and full operation January 1, 2009</li> </ol>
Dental	<ol style="list-style-type: none"> <li>1. Review plan design and contract and make recommendations for change/updating of provisions.</li> <li>2. Competitively bid program in 2008 for operation for Open Enrollment October 15, 2008 and full operation January 1, 2009.</li> </ol>
Long Term Disability	<ol style="list-style-type: none"> <li>1. Review plan design and contract and make recommendations for change/updating of provisions.</li> <li>2. Competitively bid program in 2008 for operation for Open Enrollment October 15, 2008 and full operation January 1, 2009.</li> </ol>
Voluntary AD&D	<ol style="list-style-type: none"> <li>1. Review plan design and contract and make recommendations for change/updating of provisions.</li> <li>2. Competitively bid program in 2008 for operation for Open Enrollment October 15, 2008 and full operation January 1, 2009.</li> </ol>
Long Term Care	<ol style="list-style-type: none"> <li>1. Review plan design and contract and make recommendations for change/updating of provisions.</li> <li>2. Competitively bid program in 2008 for operation for Open Enrollment October 15, 2008 and full operation January 1, 2009.</li> </ol>
Self-Insured Health Plan	<ol style="list-style-type: none"> <li>1. Review plan design and contract and make recommendations for change/updating of provisions.</li> <li>2. Calculate "Premium Equivalents" in 2008 for Open Enrollment October 15, 2008 and full operation January 1, 2009.</li> </ol>

Consultants must identify how they plan to achieve key milestones so that the benefit plans are approved by the City Council in September 2008 and City employees may enroll in the benefit plans in October 2008 and all of the benefit programs start operation January 1, 2009. Key milestones include but are not limited to:

March-May 2008

May 2008

June 2008

Needs assessment and establish priorities

RFP issued

Proposal responses due



July-August 2008	Review RFPs and present to the HIAC/Staff Screening and Selection Committee
September 2008	Present to City Council approval of 2009 benefit plan
October 2008	Assist Human Resources with Open enrollment (October 15) for City employees and all full operation in 2009 the approved benefit plans.
January 1, 2009	Ensure all benefit plans are fully operational.

Consultants may present specific consulting services they will provide the City of Wichita. This would likely include the following:

#### Discovery and Planning

Review of relevant documents, contracts, agreements and utilization to create a historical perspective for the current structure in place and to identify an inventory of current services provided. It would also likely include operational assessment which would entail on-site interviews with key staff to discuss topics as benefit plan performance, service deliverables, and "wish list" expectations.

#### Development and Issuance of the RFP

After completion of Discovery and Planning, prepare a first draft of the RFP that takes into account City of Wichita needs for staff review, Staff Screening and Selection Committee review, Health Insurance Advisory Committee review, comment and agreement. The purpose of the RFP is to create a fair and competitive bidding environment specific to the needs of the City of Wichita, and fully compliant with State and local law. In addition, RFP will be the tool for going to the marketplace and capturing advances in the benefits field. RFP has to be issued through City's Purchasing Division.

#### Analyze the RFP Responses

This is a core step in the evaluation and search process and is subject to state and local laws for procurement. The broad areas reviewed would include, in addition to cost, commitment to the plan and administration of the benefit plan, the current and planned use of technology and the ability to provide best in class services. A **key** deliverable will be a written report summarizing the Consultant's findings and recommendations for contract award for each **non-health** benefit plan. It will also include attending meetings with management staff and the Health Insurance Advisory Committee/Staff Screening and Selection Committee to review and discuss the recommendations for contract award and answer questions.

#### Due Diligence

The Consultant will provide the City with due-diligence reports on each prospective 2009 non-health provider recommended for contract award. One of the matters to review would be to learn if the products and services listed in the RFP response are available, deliverable, and are "best in class". This also will assist in determining whether the proposed fees are reasonable.

#### Fee Negotiation

Assist City staff in negotiating the best fee arrangement possible with the proposed service providers the City selects. In addition, the Consultant will provide guidance on the contract negotiations from the perspective of "best practice". It is understood the Consultant is not an attorney and is not in a position to provide legal advice.

## **VII. PROPOSAL REQUIREMENTS**

The purpose of this proposal is to demonstrate the qualifications, competence and capacity of firms seeking to provide comprehensive services specified herein for the City of Wichita, in conformity with the requirements of this Request For Proposal. The proposal should demonstrate qualifications of the firm and the staff to undertake this project. It should also specify the proposed approach that best meets the Request For Proposal requirements. **The Consultant must address each of the service specifications under the Scope of Services.**

### **COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF A FIRM.**

#### **Mandatory Elements**

1. The firm must provide an affirmative statement that there is no direct or indirect conflict of interest present as required by federal and state law. **Consultant cannot bid as a Consultant and also bid as a broker or provider of any City of Wichita health and/or benefit plans.**
2. An affirmative statement must be provided indicating the Consultant and all subcontractor/joint venture partners are properly incorporated and licensed, if required, by the State of Kansas, to provide the services as delineated herein.
3. Proposal must include the signature of an official of the firm that is authorized to contract for the firm.
4. A profile of the firm including the official contact person, telephone number and mailing address. If the Consultant is a joint venture or consortium, the qualifications of each firm must be separately stated and identified.
5. Firm's experience including the experience key of staff members who would be assigned to work with the City of Wichita.
6. References with the nature of the services provided and contact information for each reference provided.
7. Proposal for services and methodology for delivery of services. Identify how your firm will meet the requirements of the Scope of Work.
8. Detailed cost proposal with services identified separately. The contract shall be a **lump sum not to exceed fee contract**. No other ancillary, travel or incidental costs are permitted. These are included in the lump sum fixed fee. It is expected the firm will travel to Wichita at least 2-3 times per year to meet with the Health Insurance Advisory Committee and/or City Council. The cost of preparing and delivering proposals is not eligible for inclusion in the cost proposal. Cost plus a percentage of cost contracts are not allowable.

## **VIII. EVALUATION CRITERIA**

### **A. Mandatory Elements**

1. The firm is incorporated and is licensed (if applicable) to practice the services requested in Kansas.
2. The firm has no conflict of interest with regard to any officer or employee of the companies involved, including the City of Wichita.
3. The firm adheres to the instructions of this Request for Proposal.
4. The firm identifies all subcontractors/consortiums.
5. The firm has no major external quality control, regulatory or licensing deficiencies and has a record of quality work.

### **B. Technical Qualifications** - (Maximum of 30 points)

1. The firm has extensive experience and expertise based on past projects to carry out the project.
2. The quality of the firm's professional staff assigned to the project, who will be assigned to the project and assurance that their experience is commensurate with project needs.
3. The firm has extensive experience with health and benefit plans, particularly as they relate to municipal corporations.
4. The firm has experience with evaluating consumer-driven health care plans in general.
5. The firm had direct experience with designing, implementing and evaluating Wellness programs.

### **C. Approach** - (Maximum of 40 points)

1. Adequacy of staffing plan, facilities and resources for the project.
2. Ability to provide services within the required timeframes.
3. Efficacy of comprehensive program.
4. Effectiveness of proposed program in meeting RFP requirements.
5. Adequacy of proposed plan.

### **D. Price** (maximum of 30 points)

## **IX. THE SELECTION PROCESS**

The City of Wichita reserves the right to accept or reject any or all proposals. Submission of a proposal indicates acceptance of the conditions contained in the Request for Proposal (RFP) and an agreement to negotiate a contract for services. The City reserves the right to make an award on the basis of greatest benefit to the City and is not obligated to select the lowest cost option.

A Selection Committee will review the proposals and interview the candidate firms. The Selection Committee will make a recommendation to the City Manager/ City Council for approval of a firm and a lump sum not to exceed fee contract with the top ranked consultant.

### **Tentative Calendar for the Selection Process**

January 31, 2008	Request for proposal issued
March 3, 2008	Proposals due by 5:00 p.m.

March 3, 2008	Proposals distributed to Staff Screening and Selection Committee
March 7, 2008	Selection committee meets
March 12, 2008	Presentations from proposing firms if necessary
March 12, 2008	Final selection
April 1, 2008	City Council approval of firm and contract.

#### **X. KANSAS OPEN RECORDS ACT**

Pursuant to the Kansas Open Records Act (K.S.A. 45-215 et seq.), all proposals received become a public record once award of the contract or agreement has been approved by the City Council. Bidders should not expect the City to seek confidentiality protection for any claimed privileged or proprietary information in the written proposal just because the material is marked "confidential" or "proprietary." For any essential information that the bidder reasonably believes can be defended as being exempt from disclosure under the Act, the informal must be capable of being separated or redacted from the balance of the proposal and should be clearly and specifically marked as confidential or proprietary. For any material so designated, the City will seek to claim confidentiality if the justification for such confidentiality is readily apparent or if the bidder requests that the City to contact the bidders for guidance before making the material public. The City cannot guarantee the confidentiality of claimed material, however.

#### **XI. EMERGING AND DISADVANTAGED BUSINESS PARTICIPATION**

The City of Wichita encourages all bidders to include emerging and disadvantaged business participation in their proposals. Therefore, each vendor shall specifically identify the participation of emerging and disadvantaged contractors and subcontractors in the work to be performed by the vendor and shall list such emerging and disadvantaged contractors or subcontractors by name and show the dollar amount of work to be performed by each in the proposal.

#### **XII. POST AWARD CONDITIONS**

- A. Before a contract is executed, the firm must submit to the City an approved Equal Employment Opportunity/Affirmative Action Plan. This does not have to be submitted with the proposal.
- B. The firm agrees, if awarded the contract, to negotiate and enter into a contract with the City of Wichita within 30 days of award.

#### **XII. RFP CONDITIONS**

- A. Certification 1-The Consultant hereby certifies that:

- 1. The Consultant has not employed or retained for a commission, percentage, brokerage, contingent fee, override or other consideration, any firm or person at any time or for any purpose, (other than a bona fide employee working solely for the above Consultant) to solicit or secure this Agreement.
- 2. The Consultant has not agreed, as an express or implied condition for obtaining this Agreement, to employ or retain the services of any firm or person in connection with carrying out the Agreement.

3. The Consultant has not paid or agreed to pay to any firm, organization, or person (other than a bona fide employee working solely for the above consultant) any fee, contribution, donation, or consideration of any kind for, or in connection with, procuring or carrying out the Agreement, except as here expressly stated (if any).

B. Certification 2- The Consultant hereby certifies that:

No Lobbying and Influencing Federal and/or City Employees or City Council Members:

1. No Federal or locally appropriated funds shall be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, an officer or employee or City Council member of the City of Wichita, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant and the amendment or modification of any Federal grant.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal grant, the contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities" in accordance with its instruction.

C. Certification 3-The Consultant hereby certifies that:

Conflict of Interest

The Consultant certifies that no member, officer, employee, agent, or City Council member of the City of Wichita member exercising any functions or responsibilities with respect to the program outlined in this contract shall have any personal financial interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this agreement. The Consultant shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purposes of this section. The Consultant shall use due diligence to ensure employees, Board members, family members and officers do not participate in contracts receiving funds pursuant to this agreement.

**EXHIBIT A**  
**City of Wichita**  
**2007 Self-Insured Cost Analysis**

<b>Total Medical</b>	<b>I. Premium Equivalent</b>	<b>II. Fixed Costs (Admin/ Stop Loss)</b>	<b>III. Total Paid Claims</b>	<b>IV. Total Cash Costs (II + III)</b>	<b>V. Cash Balance (I - IV)</b>	<b>VI. YTD Budget<sup>1</sup> Balance (Budget - IV - IBNR*)</b>	<b>VII. YTD Percent of Budget<sup>1</sup> Expended</b>
Jan-07	\$ 2,190,328	\$ 104,523	\$ 665,307	\$ 769,830	\$ 1,420,498	\$ 26,562,983	3.6%
Feb-07	\$ 2,193,251	\$ 104,420	\$ 1,119,914	\$ 1,224,334	\$ 968,917	\$ 25,129,483	8.8%
Mar-07	\$ 2,202,991	\$ 104,695	\$ 1,649,079	\$ 1,753,774	\$ 449,217	\$ 23,166,542	15.9%
Apr-07	\$ 2,202,991	\$ 104,764	\$ 1,824,293	\$ 1,929,057	\$ 273,935	\$ 21,028,319	23.6%
May-07	\$ 2,204,615	\$ 105,142	\$ 1,566,846	\$ 1,671,988	\$ 532,627	\$ 19,147,164	30.5%
Jun-07	\$ 2,191,627	\$ 104,317	\$ 2,425,202	\$ 2,529,519	\$ (337,892)	\$ 16,408,479	40.4%
Jul-07	\$ 2,195,199	\$ 104,420	\$ 1,774,725	\$ 1,879,145	\$ 316,054	\$ 14,320,167	48.0%
Aug-07	\$ 2,190,328	\$ 104,454	\$ 2,220,674	\$ 2,325,128	\$ (134,800)	\$ 11,785,872	57.2%
Sep-07	\$ 2,203,641	\$ 104,832	\$ 1,804,419	\$ 1,909,252	\$ 294,389	\$ 9,667,454	64.9%
Oct-07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Nov-07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Dec-07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total</b>	<b>\$ 19,774,970</b>	<b>\$ 941,567</b>	<b>\$ 15,050,459</b>	<b>\$ 15,992,026</b>	<b>\$ 3,782,944</b>	<b>\$ 9,667,454</b>	<b>64.9%</b>

\* Assumes 1/12 of the estimated annual IBNR claims per month

Estimated Incurred But Not Reported Claims (IBNR)

\$ 2,510,000

'True' Estimated Savings - YTD [Premium Equivalent less Total Cash Costs and IBNR Estimate]

\$ 1,272,944

Stop Loss Reimbursements - Received/Receivable

\$ -

<sup>1</sup>The City's total Self-Insurance 2007 budget is: \$27,541,980 (NOTE: budget is net of VSP vision plan costs)

**2007 Estimated Cost Illustration:**

Estimated 2007 Premium Equivalent (YTD actual plus 3 months at September 2007 monthly total) \$ 26,385,892

Estimated 2007 Cash Costs (YTD actual plus 3 months average cash costs) = \$ 22,114,071

IBNR Estimate for 2007 = \$ 2,510,000

Total Estimated 2007 Costs (Actual Cash Cost + 3 Mon Estimated + IBNR) = \$ 24,624,071

2007 Estimated Premium Equivalent versus Estimated 2007 Costs - surplus/(deficit) = \$ 1,761,821

**City of Wichita**  
**Enrollment and Premium Equivalent Reporting**  
**January 1, 2007 - December 31, 2007**

[illegible]

**City of Wichita**  
**Medical Large Loss Reporting for**  
**Claimants In Excess of \$100,000**  
**January 1, 2007 - December 31, 2007**

Specific Deductible =	\$400,000					
Claimant Dx Name	EE/Dependent	Status	YTD Medical Paid Claims	Amount over Specific Ded		
Factor VIII Disorder	Dependent	Active	\$500,002	N/A - lasered		
Single Liveborn	Dependent	Active	\$228,729			
End Stage Renal Disease	Dependent	Termed	\$180,859			
atrial Fibrillation	EE	Active	\$124,152			
obstruction of Bile Duct	Spouse	Active	\$121,157			
lung Cancer	Spouse	Active	\$105,384			



# City of Wichita

## Fixed Costs Backup Worksheet

January 1, 2007 - December 31, 2007

Total/Fixed Costs	PEPM Fee	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Administration	\$22.66													
Nurse Line	\$0.60													
Specific Stop Loss @ \$400K	\$9.92													
Claim Fiduciary Fee	\$0.63													
Coventry-owned Bank Account	\$0.55													
	\$34.36	3,042	3,039	3,047	3,049	3,060	3,036	3,039	3,040	3,051	0	0	0	27,403
		\$104,523	\$104,420	\$104,695	\$104,764	\$105,142	\$104,317	\$104,420	\$104,454	\$104,832	\$0	\$0	\$0	\$941,56

**City of Wichita**  
**Premium Equivalent Backup Worksheet**  
**January 1, 2007 - December 31, 2007**

Headcount	Working Rate	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
PPO														
Employee	\$324.68	1,190	1,181	1,178	1,181	1,195	1,179	1,178	1,187	1,183	0	0	0	10,652
Family	\$974.06	1,852	1,858	1,869	1,868	1,865	1,857	1,861	1,853	1,868	0	0	0	16,751
Premium Equivalent		2,190,328	2,193,251	2,202,991	2,202,991	2,204,615	2,191,627	2,195,199	2,190,328	2,203,641	\$0	\$0	\$0	19,774,970

## GENERAL SPECIFICATIONS

### PROPOSAL FORMS

All proposals MUST be submitted and signed by an officer or employee authorized to sign proposal. Any exceptions, to the specifications, terms and/or other conditions concerning the proposal, must be noted in the "Proposal" to be considered. The "Proposal" is to be submitted in an envelope showing a return address, the proposal number and due date. Vendors are requested to submit current literature or brochures relating to their proposal.

### CONFLICT OF INTEREST

The firm is required to disclose that it has no conflict of interest with regard to any officer or employee of the companies involved including the City of Wichita.

### LICENSE

Vendors bidding on commodities or services for the City of Wichita must be currently licensed by the City of Wichita or the State of Kansas, where applicable, before a purchase order or contract will be issued.

### CONTRACT

The successful vendor agrees to enter into a contract with the City, and when required, as per specifications, to furnish bond by a surety company authorized to do business in the State of Kansas.

### EMERGING & DISADVANTAGED BUSINESS ENTERPRISE PARTICIPATION ENCOURAGEMENT

The City of Wichita encourages all vendors to include emerging & disadvantaged business participation in their proposals.

### ARBITRATION PROVISIONS

"Notwithstanding anything to the contrary contained in these proposal documents or the contract to be awarded herein, the City shall not be subject to arbitration and any clause relating to arbitration contained in these proposal documents or in the contract to be awarded herein shall be null and void."

### ANTITRUST LITIGATION CLAUSE

"For good cause, and as consideration for executing a purchase order/contract, the contractor, acting therein by and through its authorized agent, hereby conveys, sells, assigns, and transfers to the City of Wichita, all rights title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of Kansas, relating to the particular product, products, or services purchased or acquired by the City of Wichita, Kansas, pursuant to a purchase order/contract.

### CONSTRUCTION - PAVING PROJECTS

On construction or paving projects, contractors MUST contact the City Controller's Office, City Hall, 12th Floor, 455 North Main Street for a Kansas Sales Tax Exemption Certificate prior to starting work. Contractors will be responsible for paying Kansas Sales Tax on any purchase for these projects made before the certificate is issued.

### RESTORATION

"Contractor shall, as a condition of final payment, restore all right-of-way and adjacent private property which has been disturbed, damaged or otherwise affected by construction to a condition equal to or better than existed prior to the commencement of construction. Such restoration shall include but not be limited to regrading and seeding of areas where grass was planted and growing prior to construction; provided, however, such regrading and seeding of lawn areas, when completed, shall be considered to be restoration of an area to a condition equal to or better than previously existing grass growth and Contractor shall have no responsibility to ensure growth of such seeded area(s). This restoration shall be considered part of the contract work and Contractor shall be responsible for the performance of such restoration work in the same manner as it is responsible for the performance of the contract work."

### FEDERAL EXCISE TAX

The articles specified in this proposal are for the exclusive use of the City of Wichita, Kansas. Therefore, Federal Excise Tax shall not be imposed. The City of Wichita, Kansas Federal Excise Tax Exemption Certificate Number is 48 77 0021K.

### ESTIMATED QUANTITIES

If estimated quantities are shown, on the "Request For Formal Proposal" form, they are used to evaluate the proposal only. The figure(s) listed is the estimated usage only and is not intended to limit or guarantee in any way, the amount the City may purchase under the purchase order/contract.

### CITY OF WICHITA CREDIT CARD

Presently, many City Agencies use a City of Wichita Procurement Card (Visa) in lieu of a City warrant to pay for some of it's purchases. No additional changes will be allowed for using the card.

### DELIVERY

Delays in delivery caused by bona fide strikes, government priority or requisitions, riots, fires, sabotage, acts of God or any other delays deemed by the Purchasing Manager to be clearly and unequivocally beyond the contractor's control, will be recognized by the City, and the contractor will be relieved of the responsibility of meeting the delivery time, as stipulated in the contract, upon contractor's filing with the Purchasing Manager a notarized just and true statement signed by a responsible official of the contractor's company, giving in detail all the essential circumstances which, upon verification by the City, justifies such action by the Purchasing Manager.

### AWARD

The City, through its Purchasing Manager reserves the right to accept or reject any or all proposals and any part of parts of any proposal and to waive formalities therein to determine which is the most beneficial proposal. Any proposal which is incomplete, conditional, obscure, or which contains additions not called for or irregularities of any kind, may be cause for rejection of the proposal. All proposals are awarded subject to a check of the computations shown on the "Request For Proposal" form. In the event of a discrepancy in the extension(s) or total for the item(s), the unit cost shall prevail.

Vendors must guarantee proposal prices for a period of ninety (90) days after the proposal.



Kelley Stuck | Vice President | Aon Consulting – Kansas City, MO

April 7, 2008

Ms. Melinda A. Walker  
Purchasing Manager  
City of Wichita  
12<sup>th</sup> Floor, City hall  
455 North Main  
Wichita, KS

RE: Response to April 2, 2008 Request for Pricing Clarification – RFP No. FP800018

Dear Ms. Walker:

We believe in establishing a partnership with our clients, and as such, our goal for this correspondence is to simplify our pricing structure to clarify our compliance with the City's "lump sum, not to exceed" request. We have responded to this proposal on a fee basis. The amounts outside our fee quote included the acceptance of commission on voluntary products where the carrier is unwilling to carve out commissions and the actual cost of your wellness program through Wellness Coaches USA (oversight and consulting for wellness is included in our fee).

In order to simplify the structure and to allow the City to arrive at firm price, Aon will accept the annual pricing shown in the subsequent two pages, inclusive of voluntary products. If the carrier is unwilling to carve out the commissions, Aon will reduce our fee by the amount of the received commissions. Therefore, Aon's not to exceed fee will be \$117,000 for 2008 through 2011 and \$107,000 for 2012 (not including the pass-through cost of the Wellness program).

We bring absolute transparency of our services and income to our clients by providing full details of how we are compensated and ensuring that they understand and have agreed to the compensation we receive. Aon **does not** accept contingent commissions when placing insurance coverage for our clients. Contingent compensation is any compensation contingent upon (a) Aon placing a particular number of policies or dollar value of premium with a given insurer, or (b) achieving a particular level of growth in the number of policies placed or dollar value of premium with the insurer. Our foremost duty is to our clients. By not accepting these types of compensation our clients can be sure that Aon is always acting in the client's best interest.

Our objective is to guarantee that the manner in which we get paid is transparent, understandable and acceptable to all relevant parties. Accordingly, Aon clients receive full disclosure of all compensation earned for Aon's work on your behalf. Such disclosures will be provided prior to the time we bind your coverage and again at the end of the year.

We are eager to work with the City of Wichita and believe that we can bring unparalleled expertise and resources. Please contact me if you have any additional questions regarding our proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelley Stuck", written over a horizontal line.

Kelley Stuck  
Vice President

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1000 Walnut Street | Suite 900 | Kansas City, MO 64106  
t: 816.391.1165 | f: 816.391.1129  
e: Kelley\_stuck@aon.com | w: www.aon.com

### Annual Fee Summary

Benefit Year	Services Provided	Pricing
2008	<ul style="list-style-type: none"> <li>Evaluation of Current Plans with recommendations</li> <li>Financial Analysis</li> <li>Self-insurance Cost Analysis</li> <li>Vendor RFP and selection for non-medical services</li> <li>Client Service Management</li> <li>Health and Productivity Review (including review of Wellness Coach USA services)</li> <li>HR Training</li> </ul>	\$20,000 15,000 12,000 30,000 25,000 15,000 Included
Total Fee for 2008*		117,000
2009	<ul style="list-style-type: none"> <li>Evaluation of Current Plans with recommendations</li> <li>Financial Analysis</li> <li>Self-insurance Cost Analysis</li> <li>Vendor RFP and selection for medical services</li> <li>Client Service Management</li> <li>Health and Productivity Data Analytics and Recommendations</li> <li>HR Training</li> </ul>	\$10,000 15,000 12,000 30,000 25,000 25,000 Included
Total Fee for 2009*		117,000
2010	<ul style="list-style-type: none"> <li>Evaluation of Current Plans with recommendations</li> <li>Financial Analysis</li> <li>Self-insurance Cost Analysis</li> <li>Vendor RFP and selection for wellness services</li> <li>Pharmacy Sample Audit</li> <li>Client Service Management</li> <li>Health and Productivity Data Analytics and Recommendations</li> <li>HR Training</li> </ul>	\$10,000 15,000 12,000 30,000 10,000 25,000 15,000 Included
Total Fee for 2010*		117,000

Benefit Year	Services Provided	Pricing
2011	<ul style="list-style-type: none"> <li>• Evaluation of Current Plans with recommendations</li> <li>• Financial Analysis</li> <li>• Self-insurance Cost Analysis</li> <li>• Vendor RFP and selection for non-medical services</li> <li>• Client Service Management</li> <li>• Health and Productivity ROI Analysis</li> <li>• HR Training</li> </ul>	\$10,000 15,000 12,000 30,000 25,000 25,000 Included
Total Fee for 2011*		117,000
2012	<ul style="list-style-type: none"> <li>• Evaluation of Current Plans with recommendations</li> <li>• Financial Analysis</li> <li>• Self-insurance Cost Analysis</li> <li>• Vendor RFP and selection for medical services</li> <li>• Client Service Management</li> <li>• Health and Productivity Review/Recommendations</li> <li>• HR Training</li> </ul>	\$10,000 15,000 12,000 30,000 25,000 15,000 Included
Total Fee for 2012*		107,000

\*Aon will provide services on a fee basis including the administration of existing voluntary programs. Aon will seek to have all carrier, including voluntary carriers, provide premium amounts that are net of commissions. In cases where a voluntary carriers is unwilling to carve out the commissions (provide net of commission premium), Aon will accept the commission and reduce the fee to the City of Wichita by the corresponding amount.

## Walker, Melinda

---

**From:** Kelley Stuck [Kelley\_Stuck@aon.com]  
**Sent:** Monday, April 07, 2008 1:18 PM  
**To:** Walker, Melinda  
**Subject:** Aon response for RFP No. FP800018 [Virus Checked]  
**Attachments:** Pricing response 4-7-08.doc

Dear Melinda:

Attached please find Aon's response to the City of Wichita's request to clarify the lump sum, not to exceed fee amount for RFP No. FP800018. A hard copy of the attachment is being overnighted to you today. I would appreciate it if you would confirm receipt of this e-mail and attachment.

We are excited about the possibility of working with the City and look forward to having an opportunity to discuss our proposal with your representatives. I will look forward to hearing from you regarding the selection of finalists.

Sincerely,

Kelley Stuck

Kelley Stuck | Vice President, Health and Benefit Practice Leader  
Health and Benefit Consulting | Aon Consulting  
1000 Walnut Street, Suite 900  
Tel: 816.391.1165 | Fax: 816.391.1129  
Email: [kelley\\_stuck@aon.com](mailto:kelley_stuck@aon.com)

Aon Consulting selected by the readers of Business Insurance as the "Best Employee Benefit Consulting Firm" in 2006 and 2007.

NOTE: The information contained in this transmission, including any attachment(s) is only for the use of the intended individual(s) or entity, and may contain information that is privileged and confidential. If the reader of this message is not an intended recipient, you are hereby notified that any dissemination, distribution, disclosure, or copying of this information is unauthorized and strictly prohibited. If you have received this communication in error, please contact the sender immediately by reply email and destroy all copies of the original message.

March 3, 2008

Ms. Melinda A. Walker  
Purchasing Manager  
City of Wichita  
12<sup>th</sup> Floor, City hall  
455 North Main  
Wichita, KS

RE: Request for Proposal FP800018 for Health & Benefits Consulting Services

Dear Ms. Walker:

Aon Consulting is pleased to submit this proposal to the City of Wichita to provide health benefit consulting services. We are confident Aon can provide the requested services and offer exceptional value to the City. Aon Consulting is one of the three largest full-service employee benefits and actuarial firms in the world, with headquarters in Chicago, Illinois. We bring all the resources of a large international firm, yet we assure each client personal attention. We are prepared to devote the required staff and resources to this project immediately upon being selected.

We guarantee practical and sound technical advice and support. Our objective is to listen to your concerns and make sure we understand your objectives. We will then apply Aon's analytical benchmarking tools and communicate the results in a clear and concise manner. Thus, our work product may be used to help you make decisions about your benefit plans.

We specialize in working with the public sector, and are committed to producing the highest quality work in a timely, efficient and cost-effective manner. We view ourselves as partners with our clients, providing them with guidance and direction, recommending alternatives, evaluating the ramifications of various approaches and giving overall support.

As your account executive, I would be your local contact for this project. I am a Vice President with Aon and the Local Practice Leader in the Kansas City office. My experience includes Human Resources, Health Management and Communications, which often enables me to be a resource for a much broader range of topics than the traditional consulting background. Also at your disposal is our local team for your day to day client service and financial analysis needs, backed by the breadth and depth of Aon Worldwide.

Please do not hesitate to contact me at any time if I can be of service or provide additional information.

Sincerely,



Kelley Stuck  
Vice President



February 14, 2008

**CITY OF WICHITA, KANSAS**

**REQUEST FOR PROPOSAL NUMBER FP800018**

**ADDENDUM #1**

**FINANCE DEPARTMENT/RISK MANAGEMENT DIVISION**

**Health and Benefits Consulting Services**

**DUE DATE: 5:00 O'CLOCK P.M., MONDAY, MARCH 3, 2008**

The following items have been added to the specifications and made a part of this proposal.

The City of Wichita's current Health and Benefits Consulting Contract is with Hilb Rogal & Hobbs of Kansas, Inc. with an annual cost not to exceed a maximum fee of \$128,000 per year and a Supplemental Contract for our Wellness Program with a not to exceed annual amount of \$55,000.

Each vendor is required to acknowledge receipt of this Addendum by his signature affixed hereto and to file same with and attached to this proposal.

Melinda A. Walker  
Purchasing Manager

\*\*\*\*\*

The undersigned acknowledges receipt of this Addendum and the proposal submitted herewith is in accordance with the information, instruction and stipulations set forth herein.

**February 29, 2008**  
Date

**Aon Consulting, Inc**  
Company Name

  
Signature of Company Representative

**Kelley Stuck**  
Print Name of Company Representative

**Vice President**  
Title



# City of Wichita

## *Aon's Proposal to Provide Health and Benefits Consulting Services*

*March 3, 2008*

**Kelley Stuck, SPHR**  
**Aon Consulting, Inc.**  
1000 Walnut Street  
Suite 900  
Kansas City, MO 64106  
Phone: 816.391.1165 Cell: 816.261-0813  
Fax: 816.391.1129  
Email: Kelley\_stuck@aon.com

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## Executive Summary

This proposal is in response to the City of Wichita's Request for Health Benefits Consulting Services. We have carefully reviewed the City's request and can assure that Aon has the stature, philosophies, resources and capability to support the business goals of the City of Wichita (hereafter called the City) as defined in this proposal. Aon Consulting has extensive health care consulting and actuarial experience working with public sector clients. Missouri public sector clients include the City of Olathe, St. Clair County and the St. Louis Police Department. A more extensive list of our public clients can be found beginning on page 29.

### **Why team with Aon?**

- Aon Consulting has earned the honor of **Best Employee Benefit Consulting Firm in Business Insurance's 2006 and 2007 Readers Choice Awards** competition. Aon earned the award because of its longstanding commitment to helping employers develop strategies to better manage their workforces through benefits, talent management, rewards strategies and solutions. The City has the additional assurance of knowing that Aon Consulting is the recognized leader in employee benefits consulting.
- Our demonstrable, industry-specific experience and expertise will reduce any transition problems and provide insight and perspective as to new or alternative solutions. Other consultants' espousal of "entrenched expertise" often results in barriers between separate profit centers within their firms. Our elimination of such "profit centers" allows us to put our clients' needs first, and will enable your service team to reach across geographic boundaries, industry groups and product lines to construct the right solution for the City.
- Aon Consulting will partner with the City to review current benefit offerings, design a benefit package that meets the City's strategic goals, enhance benefits and simplify administration. Our response sets forth an innovative package of services available only to Aon Consulting's clients.
- Aon was one of the first major employers to implement a consumer driven healthcare (CDH) model for our own employees more than five years ago and continues to be at the forefront of this initiative. While CDH is not the right solution for every organization, we offer the City the expertise and creative thinking to evaluate CDH as well as other health management and health promotion strategies.
- Aon's core business segment is with employer groups under 2,000 employees. With our unique experience working with a wide range of organizations from the small to large, Aon is able to provide the best of both worlds – traditional brokerage as well as consulting services. For mid-size employers, this combines our strengths in the typical brokerage areas such as marketing, implementation, and ongoing service with our extensive consulting talent in areas such as pharmacy, health improvement, complex analysis using proprietary tools, health management and strategy development. We have over 700 health and welfare consultants and actuaries around the country. The City will benefit from our leverage, experience and knowledge of best practices.
- Our commitment to provide absolute transparency regarding our compensation, and our complete disavowal of undisclosed or contingent compensation, supports a total alignment of interests between our organizations.

Aon's team and service model ensures that our clients have proactive year round consulting. We start with a program review and benchmarking to identify areas of potential liability and opportunity. We then develop short and long term strategic plans and begin strategy implementation. All of these activities are followed by an annual customized review of the partnership between Aon and the City that provides measurement and opportunity for further strategic and creative development.

## City of Wichita: Our Understanding

It is our understanding that the City is searching for a partnership that can provide the following.

- Employee Benefit Consulting (Experience / Strategy)
- Market Presence / Leverage
- Actuarial / Underwriting/ Funding Technical Support
- Data Reporting and Data Analytics
- Pharmacy Analysis Capabilities
- Health, Productivity and Wellness Expertise
- Benchmarking Capabilities
- Compliance Support

We look forward to discussing how we can adapt our services, solutions and innovations to exactly meet your needs. Aon Consulting's team, approach, deliverables and resources are what set us apart from our competition. Details of our approach are included in the pages that follow.

We have reviewed the required services of the City related to the management of your employee benefit programs including requests for proposals and analysis of received proposals from insurance providers in the areas of health, dental, life, accidental death, and dismemberment, and long-term disability for The City's employees, dependants and retirees. We understand that The City is seeking a benefits consulting firm to support your internal staff with strategic planning, cost competitive analysis and on-going support.

Aon confirms that there is no direct or indirect conflict of interest present for our organization as required by federal and state law. Should anything be identified during the contract period, it would be disclosed to the City upon discovery by Aon.

Kelley Stuck, Account Executive, is properly licensed in the State of Kansas to provide the services as defined in this proposal. Qualifications for Kelley, the team members and subject experts are located in the bios provided in this proposal.

### Aon Consulting's Solutions

Pursuant to your Scope of Services requested in the RFP, Aon Consulting will work as an extension of The City's staff to bring our expertise in the following areas:

- Employee benefit consulting (strategic and tactical)
- Benefit design review
- Funding alternatives (fully insured, minimum premium, self-insured)
- Actuarial/Underwriting technical support
- Benchmarking
- Compliance support & legislative updates
- Communications support (strategic and tactical)
- Vendor bidding & negotiation services – (As many of our clients do not conduct annual RFP projects, we have priced RFP services separate from our plan management and consulting fees to ensure that The City only pays for required services.)

- Health management and assistance with the coordination of wellness/disease management services as provided by your carrier and third-party vendor
- OPEB actuarial annual report – Assuming The City is satisfied with its current actuarial provider, we will support their efforts in compiling data required for GASB 43 and 45 reporting. If The City is seeking alternative actuarial support, we have provided separate pricing for your consideration.

**Client specific examples:**

- **St. Clair County of Illinois and St. Louis Metropolitan Police Department** – Aon Consulting provides the full scope of health and welfare consulting, including RFP and RFI processes, placement and vendor selection on uninsured and self-funded plans, stewardship and strategy renewals, plan design and rate setting, IBNR calculations, assistance in handling administrative and claim problems.
- **Volusia County Schools** – Aon Consulting conducted an extensive RFI and RFP process for the 10/1/06 plan year. The initial phase of the project required that we secure commitments from all carriers to quote fully insured and self-insured contracts on a slice basis. Historically, carriers had only been willing to quote for a full takeover of the group. Aon Consulting secured commitments from all major carriers to quote per the requirements of the School Board. We released the RFP and conducted carrier negotiations resulting in the District finalizing renewals with the incumbent carriers with a 3% increase in costs for a savings of over \$5,000,000 based on expected trend of 12%. Aon Consulting conducted the renewal negotiations for the 2007 plan year resulting in a below trend increase (with no plan design changes) translating to a savings of over \$600,000 to the group. Consulting fees for work on the medical plan for both years totaled less than \$75,000.
- **Volusia County Government** – Aon Consulting conducted an RFP for stop/loss for The City's partially self-insured medical plan. Based on our actuarial models and the client's demographics and specific claims experience, we recommended a minor increase in the specific stop/loss (\$100K to \$125K) yielding an annual savings of over \$600,000 to the group in lower fixed costs.

# The Aon Approach

We look forward to discussing how we can tailor our services, solutions and innovations to exactly meet your needs. Aon Consulting's experience, scale, thought leadership and value-oriented approach are what sets us apart from our competition. Details of our approach are included in the pages that follow.

Aon Consulting's team and service model ensures that our clients have proactive and year-round consulting. We start with a program review and benchmarking to identify areas of potential liability and opportunity. We then develop short-term and long-term strategic plans and begin strategy implementation. All of these activities are followed by the annual Stewardship Report. This report provides measurement and opportunity for further strategic and creative development.

Aon Consulting will work closely with The City in the development of plan design alternatives and financial calculations of employee contributions to identify any gaps or overlaps in coverage.

We will prepare a benefit matrix detailing plan provisions of health and welfare coverages to identify these areas. The identification of gaps and overlaps proactively will assist The City in its efforts to assure its employees are spending their (and The City's) benefit dollars wisely and alleviate the possibility of any surprises at times of critical events.

As an added benefit to The City, Aon Consulting does not rely on one single source for benchmarking data. Rather, we typically include as many sources as is appropriate; including Aon Consulting's Benefit Trend Survey, our own Radford Surveys, as well as data from the US Chamber of Commerce or the Kaiser Family Foundation. In addition, once comparator and survey data is compiled, we apply our market and industry knowledge to generate insightful analysis. We consider benchmarking to be one of the most important services we will provide – to initially and periodically benchmark The City's benefit programs against any/all available data to ensure we mutually understand what can and should be done to balance your recruiting/retention needs with cost management objectives. A sample benchmarking report is included in Section 1 of the Attachments.

We begin each consulting process by carefully listening to our client's unique needs, concerns, and objectives. This would include a review of relevant documents, contracts, agreements and utilization to provide a historical perspective. In addition, Aon will interview key staff to ascertain the City's perspective on benefit plan performance, service deliverables and to clarify expectations. We work closely with you—as an extension of your own staff—taking into consideration The City's human resources and organizational:

- Philosophy
- Overall objectives
- Culture
- Financial and cost control objectives, and
- Administrative constraints.

Working together, we fashion a strategy that satisfies all parties, including management, unions and employees. We make every effort to ensure that your organizational needs and objectives are addressed – and met – on every level.

## Examples

Aon Consulting has extensive experience in providing creative solutions to the rising cost of health insurance. Aon Consulting annually publishes our "Top Health Care Ideas" that includes over 75 specific solutions related to the design, management and funding of major medical plans.

Listed below are several specific examples from Aon Consulting's "Top Health Care Ideas" list that have been successfully implemented for several public and private sector clients.

- **Adopting health care "consumerism."** This strategy requires employees to be actively involved in the evaluation, selection and associated costs of their medical care. It is a growing trend in both the private and public sector. Consumer-driven health plans, including HRA and HSA designs, use plan design to engage consumers in medical service purchasing decisions. We worked closely with a school district in the design, RFP and selection process for a new CD – HRA plan (Consumer Driven – Health Reimbursement Account). The HRA account provides employer dollars to offset higher deductibles. The plan was structured to encourage increased participation in the District's FSA plan and as a lower cost option for employees seeking to cover family members. The District expects participation to grow annually, as employees become more knowledgeable about the CDP and to ultimately reduce their overall costs between 4 and 6% annually.
- **Pricing health coverage to better manage plan costs.** Examples include providing premium discounts for employees who do not use tobacco products and applying premium surcharges when an employee covers a spouse when the spouse is eligible for coverage from his or her own employer but declines such coverage. Aon Consulting worked with a County Entity to design a spousal surcharge program to discourage employees from covering working spouses who had coverage available from their own employer. We reviewed other plans and any compliance or discrimination issues that may have affected the County's decision. The program was implemented in 2005 and resulted in a reduction of approximately 30 spouses in the County's plan as they elected coverage in their own employer-sponsored plans.
- **Network discount analysis to determine claims cost for competing health plans.** Implementing a full network analysis will enable The City to identify the most cost effective and comprehensive provider for your employees. This approach utilizes several tools including geo-access, fee discount analysis and disruption analysis. Aon Consulting utilized this approach with an employer with 2,800 employees. This client utilized three carriers prior to the analysis. Through our review, we were able to provide a single carrier solution that increased percentages of provider savings by 15% or approximately \$2.5 million annually. The results were primarily driven by the significant savings of the national provider based networks vs. traditional 3rd party networks. Many employer groups only look at lower administrative costs of TPAs vs. carrier ASO (administrative services only) contracts and fail to consider the far more significant impact the claims costs have on the plan's financial performance. Aon Consulting has the capability to measure these discounts at the local level because of our unique access to provider claims data on a national basis. Other consulting firms only use provider reported data to provide a discount analysis.
- **Geo access and disruption analysis to assess the impact of a change in their medical or dental carrier.** A local long-term care provider wanted to consider a change in dental carriers. The change was considered because the current carrier had several areas with limited provider coverage. Aon Consulting released an RFI requesting a geo-access of all national carriers to first determine adequate access. Once the field of carriers was narrowed based on the geo-access, we released an RFP to obtain the financial and administrative components of the contract. We conducted a separate disruption analysis that compared actual claims from the current plan to the provider listings of the prospective plan(s). The disruption analysis reports back the claims impact from providers who are (or are not) in the prospective plans. Once the contract was awarded, Aon Consulting developed a straightforward employee communication piece to assist the small number of members who had lost access to their providers.



Other areas of significant health plan management.

- **Investing in medical plan data analytics and predictive modeling.** Governments can manage medical benefits better if they understand financial and utilization dynamics. Predictive modeling is used to analyze the health status of populations, project future costs, identify likely high-cost members and compare the efficiency of competing health plans.
- **Implementing a broad-based health management program.** This enables plan sponsors to identify and manage major health care cost drivers for their entire population, regardless of health status. In its broadest sense, health management covers the spectrum from Health Promotion/Wellness to prevent illness, Disease Management for the chronically ill and Case Management.
- **Transitioning from co-payments to co-insurance.** This strategy enables employees to see the true cost of their medical care and share in those costs on a predetermined percentage basis. By making them more aware of these costs and increasing their share of these costs, employees should become better health care consumers.
- **Adopting a value-based plan design.** High out-of-pocket costs in some plans can unwittingly discourage chronically ill individuals on maintenance drugs from adhering to their medication. By lowering patient costs for certain drug classes, employers expect to avoid medical complications and achieve lower long-term costs.
- **Tiering plan premiums based on salary or years of service.** This strategy may alleviate issues of "equity" among employees, as well as save hard-dollar costs for the plan.
- **Providing one-time eligibility amnesty and dependent eligibility audit.** Eliminate medical costs associated with individuals who are not legally entitled to be covered by your medical plan by communicating a one-time eligibility amnesty period. During this period, allow employees to drop any ineligible dependents without penalty. Following the amnesty period, Aon has the ability to conduct a dependent eligibility audit to identify remaining dependents who are ineligible.
- **Investing in integrated absence management programs.** A well-designed program manages total costs across the organization, including absenteeism, disability, workers' compensation, medical and drug expenditures and turnover, to improve financial results.
- **Effectively integrating the new Medicare Part D prescription drug benefit into the retiree medical program.** Wraparound plans or an enhanced plan may be more financially advantageous than the plan sponsor subsidy option.

## Aon's Value Proposition and Key Differentiators

Aon Consulting has successfully assisted many public sector entities with the issues specific to partially self-insured programs, such as yours, including stop/loss marketing, plan design, predictive modeling, FS 112.08 benefit and reporting requirements, claims predictions, establishing premium equivalents, OPEB reporting and all other aspects of your plan. We are confident that Aon Consulting's expertise, scale, control and scope of resources will help you manage and broker your benefits program.

Above all, Aon Consulting is focused on delivering solutions that add value. The impact of a well-designed benefits program is significant, given your need to compete for talent and manage costs.

Aon Consulting is pleased to have the opportunity to describe our best consulting resources and innovative tools in this proposal, knowing that our experience, creativity and resourcefulness are the right combination you need to help you reach your strategic objectives. Our depth and breadth in consulting services, experiences with other clients and efficiencies in managing client relationships are important ingredients in realizing your cost management objectives.

In 2006 and 2007, Aon Consulting was named the "Best Employee Benefit Consulting Firm" by the readers of Business Insurance magazine. We feel that our clients recognize the following as distinguishing characteristics in the marketplace:

- Aon's transparency relative to commissions.
- Our wealth of talent – Aon Consulting brings a depth of experience and resources in all areas related to benefits and Human Resources consulting. We pride ourselves on ensuring that the "best fit" talent is provided to each of our clients.
- Aon's historic and ongoing focus on the "middle market" client continues to be a cornerstone of our success in the industry.
- Our success in establishing long term client relationships.

As a broad-based consulting firm, Aon Consulting offers you consistency in service and depth in support – two key areas that you will need as you move forward in assessing your needs and options.

We believe that Aon is uniquely qualified to partner with the City and achieve maximum success with your human capital initiatives for several key reasons:

- **We Are The World's Leading Broker and A Premier Consulting Firm.** Aon has been Named "Best Employee Benefit Consulting Firm" by the readers of *Business Insurance* for 2006 and 2007 – This allows Aon to secure the most cost effective solutions and provide the proactive guidance to maximize effectiveness
- **Client Focus** – Aon's team members will endeavor to view issues from the City's perspective, always asking the question: "If we were the stewards of the City's resources, what decisions would we make to best protect the City?"
- **Technology Leadership** – Aon has invested heavily in technology in order to increase the efficiency of our business; improve communications between Aon, our customers, the insurance markets and throughout the Aon network; and to provide enhanced technological solutions and services to our customers. No other provider can match the depth of technological tools available to the City through Aon Consulting. One example is our comprehensive database of health care and managed care organizations containing financial, quality, management, and member satisfaction results. Aon can use this data to set the terms and benchmarks for performance guarantees. In conjunction with our databases, Aon's national electronic RFP process allows our consultants to focus on negotiating fees, service standards, and contractual terms rather than on the mechanics of the RFP process.
- **We Have More Local Resources than Anyone Else** – Located in most market places, our ability to access local information allows us to provide local insight. The Kansas City office is familiar with the local marketplace and resources, providing access when the City needs it, being on-site for meetings and offering face to face consulting.
- **We Continue to Expand into New Frontiers** - Aon is committed to meeting your human resource challenges with new innovations. Aon Consulting places significant importance on creating innovative and creative solutions for our client nationwide and worldwide. To further that objective, in 2007 we conducted a worldwide contest called "Innovation Quest" for the purpose of identifying, valuing, and commercializing new and distinctive knowledge. Ideas were solicited in four categories: Distinctive Client Value, Unmatched Talent, Operational Excellence, and Growth. These innovative ideas were solicited in the 31 countries in which Aon has major operations. Aon's Health and Benefits Practice developed and submitted approximately 100 ideas/solutions for the Innovation Quest program. We expect many of these ideas to be implemented in the next 12-18 months and will result in improved value to our clients.
- **We have made a significant commitment to add additional H&B talent through the US** and are continuously upgrading our training programs for current H&B practitioners. Some of our growth in talent may come through targeted and strategic acquisitions. To make our practice

more efficient and effective, we are planning to upgrade our client management platform to give our clients direct viewing of key aspects of vendor marketing and to add additional capacity to benchmark client plan designs.

Above all, Aon Consulting is focused on delivering solutions that add value. The impact of a well-designed benefits program is significant, given your need to compete for talent and manage costs. Beyond the recruiting and retention value, our work with other entities such as yours has led to:

- A reduction in annual health care trend by 50% and a decrease in absenteeism costs by 20%. This translates to a potential reduction in health care costs by \$300-\$600 per employee.
- Carrier negotiations based on objective, actuarial based factors. We find underwriters far more willing to agree to our terms when they are based on sound financial analysis, rather than being asked to reduce the rate simply because "it is too high." These negotiations insure our clients pay "the right rate." Only after the right rate is established, do we discuss plan design changes.
- **Aon Rate™** allows our consultants to objectively price plan design changes. Changes in deductibles, coinsurance, copays and any other plan design component are then fairly priced giving maximum value to our clients and their plan participants. These negotiations typically yield an additional 2 – 3 % over what carriers may offer for plan design concessions.
- Based on the needs of the City, we can deliver our award-winning communication services. Based on client feedback, we have found that over 90% of employees have a greater appreciation of their benefit programs after having reviewed our benefit communications materials.
- We work with you to ensure that all of your benefit plans will be compliant with all federal, state and local regulations, reducing your exposure to unidentified risks and litigation.
- A reduction of HR workload. We offer online information tools offering better availability of information and decreasing HR workload.

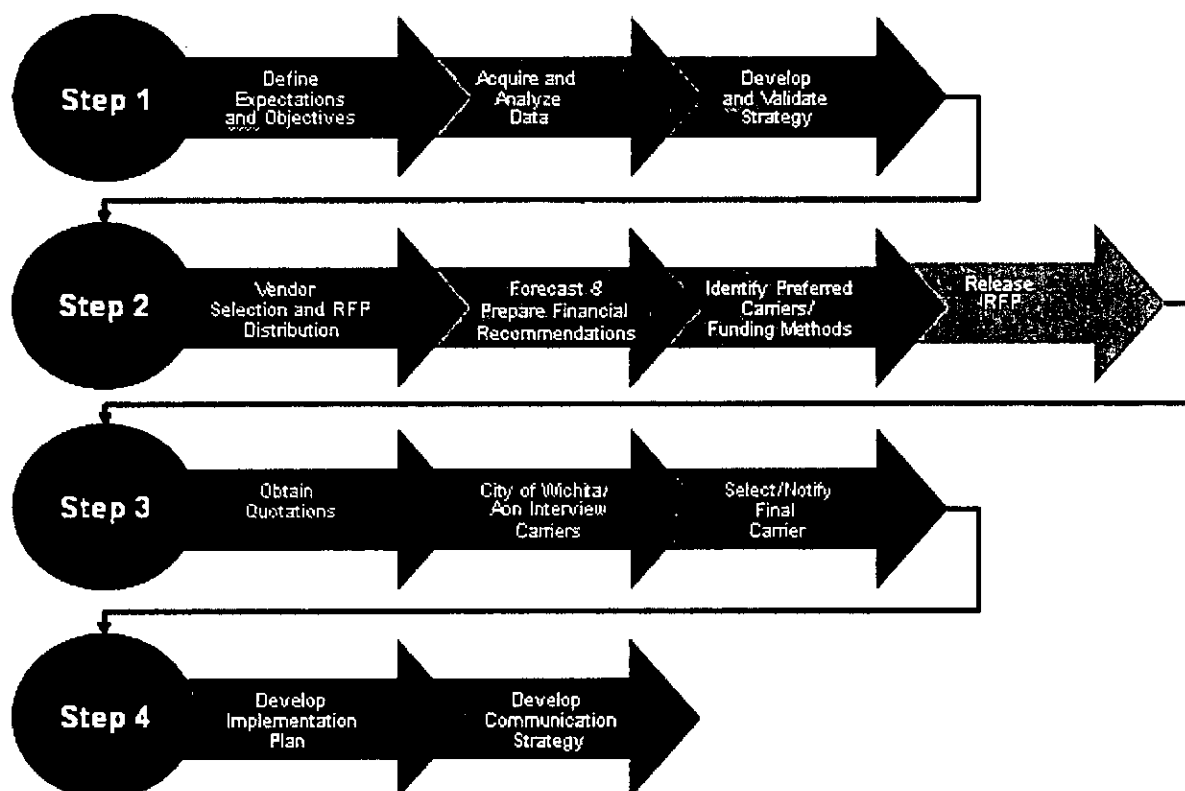
## RFP Process

One of Aon Consulting's services is preparing and developing Request for Proposals (RFP) for any product related to The City benefit plans. This is a core deliverable of the Aon Consulting team.

Underwriters are besieged with requests for quotes. It is our job to provide the key components of your program in an organized format that will get the attention of the carriers and motivate them to offer the best proposals. No one does this better than Aon Consulting.

### Procurement of Insurance

Working with The City's Purchasing Department and following all required purchasing guidelines, our team will coordinate the RFP development, distribution and assessment of responses. We will later assist in making sure contract terms match the bid submissions. We have outlined our complete process below.



#### Step One

##### Planning, Confirmation of Scope and Data Review (March/April)

The purposes of this first step are to set precise expectations for working together and agree upon the project objectives, timing, and deliverables.

##### A. Discuss Expectations and Objectives

We will meet with you to discuss your expectations for a successful project. We will hold a project-planning meeting to discuss your project satisfaction, criteria, the overall project, the project schedule, and specific deliverables.

We will assist in defining strategic objectives for your overall benefit package. This is a critical step against which all options are measured and evaluated. Specifically, we want to gather information regarding cost targets, competitiveness, workforce issues, business unit issues, health and productivity initiatives, total reward structure, equity among groups, flexibility, administrative constraints or goals, and long-term strategy. It is important that the health and benefits benefit strategy reflect your business goals and the culture of your organization.

#### **B. Identify Data Needs (March/April)**

During this meeting, we will discuss the specific data required for the process and which elements will be available. Following is a list of the types of data we typically need to analyze your benefits and current communications:

Summary Plan Description, census and enrollment data, plan documents, network access fees and current provider contracts/discounts, open enrollment communications, utilization and network data, claim experience and utilization management reports from current carriers, premium equivalents, and employee contribution history.

As your consultant, Aon Consulting will gather, organize and review the information to fully understand your benefits. We will develop a comprehensive report of all benefits included in the current program including eligibility, participation, and employee contribution by plan, employer cost by plan, plan funding/financing, key plan design features, and network feasibility, if applicable.

### **Step Two**

#### **Vendor Selection and RFP Distribution to Approved Vendors (April/May)**

At this point, you will have the required information to make a decision on plan design, funding arrangements, contribution changes, and be able to select and/or eliminate vendors for inclusion in the RFP process.

#### **A. Prepare Recommendations (April)**

To help you make an informed decision, we will draft a summary report of our strategy, design, delivery, and funding recommendations.

#### **B. Decide**

The final decision is yours. Ultimately, the choices that will work best for The City must be based on your needs and objectives.

#### **C. Release RFP to Approved Vendors (May)**

Once you make a decision, Aon Consulting will coordinate with The City's Purchasing Department the release of the RFP. We will work with them for subsequent notifications, required addendums and finalist presentations.

In an effort to deliver cost-effective, price-sensitive services to The City, Aon Consulting will utilize sophisticated, computer-based consulting tools wherever possible. A key consulting resource for the project will be Aon Consulting's Electronic RFPs. Aon Consulting's Electronic RFP system is, quite simply, the benefit industry's most cost-effective tool for collecting vendor information and evaluating vendor proposals.

Our electronic RFPs are especially innovative in the benchmarking approach used to compare networks or providers to industry standards and practices.

We have gathered the best-practice standards for all types of managed care organizations and we compare each bidding organization to these best practices. A key advantage of the electronic RFP process is the efficiency it creates by allowing the project team to focus on areas of the assignment that add the greatest value to the client.

Aon Consulting's Electronic RFP covers the following vendor evaluation criteria, and more: quality of care and outcome success, provider network access, customer service automated systems, rate, fees and cost guarantees, claims systems accuracy, and turnaround time.

### **Step Three** **Evaluation and Selection (June/July)**

Aon Consulting will coordinate with Purchasing the receipt of all carrier submissions. We will gather and summarize all responses and prepare a written report as to the responses. Based on the decision criteria established by The City, we will provide rankings of all responses. Questions regarding the responses will be addressed by Aon Consulting and summarized as part of the final report.

We would also recommend and coordinate interviews and/or site visits with the vendors selected as finalists. We believe these face to face discussions provide the ability to best evaluate the individuals responsible for delivering the promised services. It is also an opportunity to get "on the record" any final commitments, services and contract terms.

### **Presentation of Recommendations**

Based on the written proposals and interviews, Aon Consulting will work with The City to finalize the rankings. We will partner with the City's staff to present the recommendations to the City Council. Once the decision process is complete, we will coordinate with the Purchasing department final notifications to the vendors.

### **Step Four** **Implementation and Communication (September/October)**

Once the recommended changes are approved, Aon Consulting is prepared to work very closely with you during the plan implementation. We can provide as much or as little assistance as The City requires. Aon Consulting typically recommends the following activities:

#### **A. Develop Implementation Plan**

Once a decision is made, we will develop a detailed implementation schedule, assign responsibilities, and set key milestones. Implementation includes communicating the changes to employees and implementing the new program with the vendor(s). Aon will assist the City in coordinating changes with the annual enrollment process. After a plan is developed, The City may choose to have Aon Consulting manage the actual implementation or they may choose to implement the program internally.

The implementation process will develop, negotiate, and incorporate performance guarantees into all contracts, renegotiate reimbursement rates, if necessary, and facilitate implementation and execution of program changes and enhancements.

#### **B. Develop Communication Strategy**

Aon Consulting can assist you in developing a communication strategy. We believe there are four key strategies for achieving communication objectives: It is important to make the information manageable, educate employees to influence perceptions, create an identity for the campaign, and present the information honestly.

Regarding the financial performance of the carrier market, Aon Consulting has strictly enforced internal compliance guidelines, which require our consultants to annually disclose the most recent financial ratings of utilized carriers to the client. Further notifications are released when there has been a significant downgrade in rating and/or the carrier no longer meets the financial requirements of Aon Consulting's Carrier Security Committee. We also provide financial ratings to our clients with all RFP responses, prior to binding coverage with a new carrier, during the renewal process, and during the annual stewardship process.

# **Additional Aon Resources**

## **Communication Capabilities**

At Aon Consulting, we work with companies around the world to create effective employee communication programs that engage employees and help them make benefits decisions that are best for themselves and their families.

Aon's Communication Consulting Practice can service all aspects of The City's benefits communication needs including strategy, writing, editing, technical and compliance review, graphic design, printing, and fulfillment for enrollment materials and summary plan descriptions. We are capable of delivering messages through a variety of channels, depending on the client requirements, including print, web and electronic, and face-to-face.

## **Communication Experience**

Change in an organization is always hard for employees, but change in any employee benefits program ranks near the top in workplace stress. The employee reaction to change can divert your focus quickly if not approached and planned for in a thoughtful and thorough manner. Aon has a great deal of experience helping its clients mitigate employee confusion and discontent during benefit changes.

Our experience ranges from communicating straight-forward benefits information to the more complex communications required for major changes in benefits. This can include transitioning employees from traditional medical plans to consumer-directed healthcare plans or helping communicate significant changes in retirement plans.

Our pricing includes the development, printing and distribution of a 4-page Benefits Guide. A sample of this guide is in the Attachments – Section 2. If desired, we can also produce more comprehensive communication materials. Samples of these are also included in the Attachments.

## **Research and Technical Services (RTS)**

Aon Consulting's Research and Technical Services professional staff has provided Aon consultants and clients with up-to-date information on all pertinent legislation and benefit trends for more than 25 years.

RTS has direct access to Washington D.C. Congressional and agency staffs, as well as to the insurance departments in every state. The Aon Consulting Information Center in Newburyport maintains an extensive research library of legal, tax and employee benefits related books, survey data, loose-leaf services, and periodicals. All consultants have access to comprehensive on-line search capabilities through the Information Center to provide clients with Internet updates. These support resources have been available from the inception of Aon Consulting as we have always understood the value of timely and insightful advice to our clients.

## **InfoLinx**

System resources are updated for all consulting practices on an ongoing basis through our Infolinx site. InfoLinx is a "navigator" functionality that brings information from all consulting practice areas together in one, easy-to-access location, very similar to a homepage on a web site.

Through InfoLinx, Aon Consulting practices share information on best practices, practice tools, consulting standards and procedures, and individual practice resources.

InfoLinx also provides our clients with direct access to some of the research we use internally at no charge. Through InfoLinx, you are able to access both our internal and our client-focused publications for summaries,

overviews and analyses of emerging employee benefits as well as search through our archives. Aon Consulting's RTS division writes and distributes several publications describing and analyzing various aspects of current trends and compliance developments in employee benefits and human resources, which are available online through InfoLinx.

## **Publications and Databases**

Our publications and databases include the following:

- **Commentary** is a technical release distributed to Aon Consulting practitioners twice a month. Its primary purpose is to keep Aon Consulting practitioners up to date on the latest developments in both their own fields of expertise and other practice areas. Past issues of Commentary provide a valuable research tool.
- **Alert** is an in-depth review and analysis of single significant developments in employee benefits or HR such as pension simplification or health care reform legislation. It is published on an ad hoc basis whenever significant developments occur.
- **Forum** is Aon Consulting's monthly client publication covering current issues in HR, employee benefits, compensation, and change management.
- **Forum Regulatory Developments** is a summary of legislative and regulatory events.
- **Fax Surveys** poll and report on employers' views and practices regarding issues affecting employee benefits, change management, compensation, and HR.
- **Legislation & Regulations** has official material published by government agencies. Many of these are primary source documents cited in Aon Consulting publications. You will see links back to these publications where appropriate. This database is designed to enable you to find a particular source document quickly.
- **Forms and Documents** is a helpful repository of government forms and publications that can be used to comply with, or to understand, various requirements relating to employee benefits, HR management, and taxation issues.
- **Aon Consulting Research Briefs** pull together developments on emerging HR and benefit trends. The briefs analyze information from a variety of different sources (e.g., trade journal articles, surveys, legislation, court decisions) on a specific topic of general interest to clients and Aon Consulting's practitioners.

Samples of these materials are located in the Attachments – Section 3.

## **Medical Advisor**

Aon consultants have access to, Dr. Robin Kaplan, M.D., M.H.A. who provides medical consulting services as they are required to support the City.

Robin L. Kaplan, MD, MHA is a Medical Director and specializes in providing independent consulting services to hospitals, benefit plans, and other consulting firms. Services include coding accuracy audits, claims review and utilization management.

Dr. Kaplan has extensive managed care experience and knowledge base as well as a strong clinical background in the services requested by the City's RFP.

## **Pharmacy/Prescription Drugs**

Heitsh Patel, PharmD, is a pharmacist and specializes in pharmacy benefit management. In his current role as Vice President for Aon Consulting, Heitsh works with actuaries, auditors, predictive modeling experts and



the data analytics team to develop custom, data-driven pharmacy solutions that reduce pharmacy costs and improve employee health and productivity. His understanding of the healthcare system from both clinical and economic perspectives uniquely qualifies him to anticipate and attend to the diverse pharmacy benefit needs of Aon Consulting's clients.

In addition to an in-depth clinical armamentarium, Heitsh has experience in a myriad of areas including pharmacy benefit design, pharmacy trend management, new vendor transition and implementation, clinical program development and project management. Heitsh has experience working inside a PBM and therefore has significant expertise regarding product positioning, pricing and formulary strategy.

# Annual Renewal

As part of our on-going engagement and service commitment, we will review and summarize all new and renewal contracts, policy amendments and related service Agreements of contracts in support of the City. Our role is to be the advocate of you and your covered members and to maximize the benefits of all contracts and policies.

Aon Consulting will assist The City with the annual process of renewal negotiation, budget setting and rate development, during years where the City has determined not to go to market. Our ultimate goal is to develop expected benefits costs for the upcoming plan year and/or budget year. For self-insured plans, that means we need to negotiate the renewal of fixed fees (administrative fees, stop-loss, etc.) and develop a claim cost projection in order to develop premium equivalent rates. For fully insured plans, we need to negotiate the renewal premium.

## Step 1. Data Collection

### Task 1. Maintain The City Database

The following is a list of the type of data we collect and maintain:

- Enrollment data;
- Claims experience; and
- Utilization data.

The following is a list of reference data maintained for The City:

- Administrative fees, stop loss rates, and premium rates;
- Current vendor contracts;
- Current premium equivalent rates for any self-insured plans;
- Vendor contact information;
- Census data; and
- Summary Plan Descriptions.

### Task 2. Issue renewal requests

Working in conjunction with your Purchasing Department and adhering to all required disclosure and reporting processes, Aon Consulting will contact each vendor and discuss the renewal objectives. We will then request renewals in writing from each of the vendors. For example, for your medical plan, we will request information from the carriers including prior and projected claim transactions, list of services covered by the administration fee/retention and actual usage, network utilization (current and projected), and projected claims cost.

We will also discuss any anticipated internal changes for the vendors. With the consolidation of vendors, and ever changing network configurations, it is important to understand how planned vendor changes may impact cost (provider fee increases) or service (computer platform changes).

## Step 2. Analyze information

During this step, we will analyze the renewal information and develop projected claim costs as appropriate for each plan.

### Task 1. Evaluate Renewal Offers

Based on the information provided, we will:

- Evaluate your current plan costs (retention, reserve, administrative fees, capitation, stop loss insurance, premium rates, etc);
- Assess competitiveness of the fees; and
- Review all underwriting assumptions.

### **Task 2. Project future claim costs**

Based on the information provided, we will:

- Summarize and evaluate your current claim costs;
- Project claim costs using the most recent claims experience and appropriate trend assumptions;
- Make adjustments in the projection for plan changes, demographic changes, enrollment shifts, etc.; and
- Determine if there are areas of your current plan costs that look out of line with industry standards, given your plan design and population demographics.

## **Step 3. Negotiate/Finalize**

Negotiating renewals for our clients is a core competency of the Health and Welfare practice at Aon Consulting. Our staff includes many former insurance underwriters with firsthand knowledge of how these renewals are developed.

### **Task 1. Conduct negotiations**

We will negotiate the best financial arrangement possible for the City using our knowledge of underwriting requirements and our leverage with carriers.

We will share our projections and assumptions with vendors. We find that vendors are more willing to negotiate when approached with information based on sound underwriting principles. Where appropriate, we ask for a multi-year fee/rate guarantee.

In addition to negotiating renewal fees, Aon Consulting will also negotiate performance guarantees with the vendors. We will ask the vendors to put a portion of their administration fee at risk if certain key performance measures are not met. Performance measures may be in the areas of claim processing, member services, account service, member satisfaction, network services, reporting, or other areas identified by the City.

### **Task 2. Finalize terms and conditions**

We will also finalize the major contract provisions. Reaching agreement on critical contract terms prior to finalizing the renewal allows for far greater negotiating leverage. We will document the best and final offers in a report.

### **Task 3. Prepare rate charts**

Aon Consulting will assist the City with the preparation of final rate charts as necessary for employee groups.

## Aon – A Brief History

Headquartered in Chicago and incorporated in 1934, Aon is ranked as one of the top 250 US-based companies on the Fortune 500 list. Aon Corporation is a world leader in risk management, retail, reinsurance and wholesale brokerage, claims management, specialty services, and human capital consulting services. Our stock is listed on the New York, Chicago, and London Stock Exchanges (Symbol: AOC). A key advantage is our broad view of the insurance industry. Aon Corporation ([www.aon.com](http://www.aon.com)) is a holding company comprised of a family of insurance brokerage, consulting, and insurance underwriting subsidiaries.

### About Aon Corporation

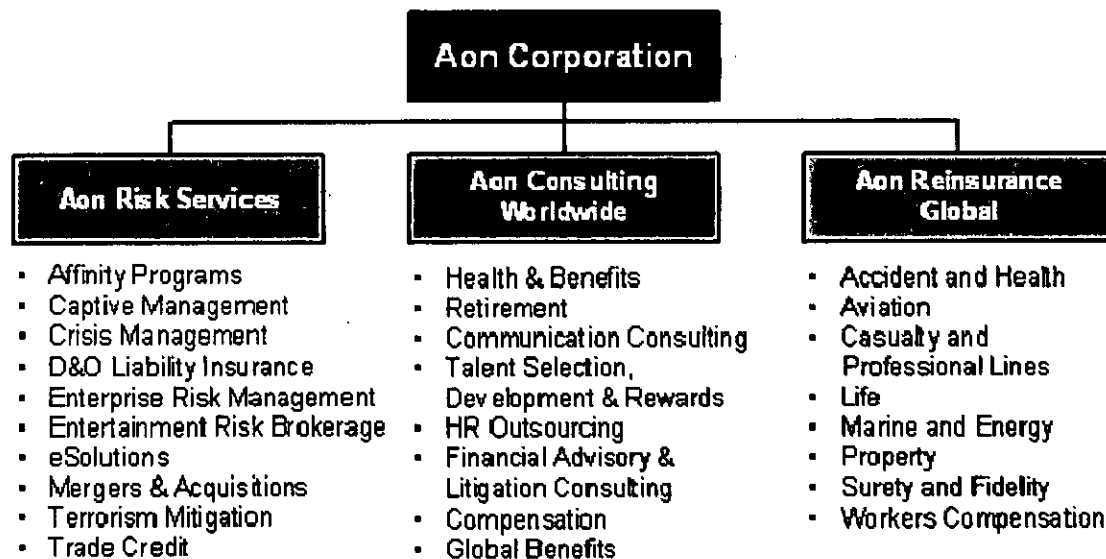
- 500 offices;
- 120 countries and sovereignties;
- 43,000 employees;
- 2007 revenue of \$7.5 billion;
- Aon is the world's:
  - Largest reinsurance broker
  - Largest captive insurance company merger
  - Second largest insurance brokerage
  - Third largest employee benefits consultant

Recognizing specific client needs for advisory services in the human resource and benefits area, Aon Corporation began to offer human resources related consulting services in 1934. Today, these services are provided through Aon Consulting Worldwide, the consulting arm of Aon Corporation.

### About Aon Consulting

Aon Consulting, the human capital consulting division of Aon Corporation, is one of the leading human resources consulting firms in the world. We use our global network of expertise to provide high-quality, innovative solutions that are unconstrained by geography.

- Selected by the readers of *Business Insurance* as the "Best Employee Benefit Consulting Firm" in both 2006 and 2007
- 6,500 employees in over 117 offices worldwide
- 2006 revenue of \$1.3 billion



The Kansas City and St. Louis offices will combine their resources to provide local support and management for the City. In addition, the local team will draw on the significant resources and depth of technical expertise from Aon offices around the US. Tying these offices together in a consultative approach enables us to provide face to face support and still draw on the national resources of our organization. Our goal is to provide demonstrable client value in everything we do for Nestle. You deserve a consulting team that is always available, and one that views you as a top priority. We are committed to being accessible when you need us.

With the combined strength of our national resources, as well as the proximity of our local Kansas City office, Aon Consulting offers the City resources from the area's largest employee benefits consulting and risk management firms. The table on the next page provides the location of Aon Consulting offices in the United States.

**ARIZONA**

Phoenix

**CALIFORNIA**

Fresno

Irvine

Los Angeles

Sacramento

San Francisco

San Jose

**COLORADO**

Denver

**CONNECTICUT**

Avon

Greenwich

Hartford

Stamford

**DISTRICT OF COLUMBIA****FLORIDA**

Orlando

Miami

Tampa

**GEORGIA**

Atlanta

**HAWAII**

Honolulu

**ILLINOIS**

Chicago

Rolling Meadows

**INDIANA**

Indianapolis

**IOWA**

Cedar Rapids

**KENTUCKY**

Louisville

**MARYLAND**

Baltimore

Bethesda

Owings Mills

**MASSACHUSETTS**

Boston

Lexington

Newburyport

Wellesley

**MICHIGAN**

Ann Arbor

Detroit

Grand Rapids

**MINNESOTA**

Minneapolis

**MISSOURI**

Kansas City

St. Louis

**NEBRASKA**

Omaha

**NEW JERSEY**

Lyndhurst

Parsippany

Somerset

Warren

**NEW MEXICO**

Albuquerque

Santa Fe

**NEW YORK**

Melville

New York City

Syracuse

**NORTH CAROLINA**

Charlotte

Raleigh

Winston-Salem

**OHIO**

Cincinnati

Cleveland

Columbus

Findlay

**OKLAHOMA**

Tulsa

**OREGON**

Portland

**PENNSYLVANIA**

Philadelphia

Pittsburgh

**TENNESSEE**

Nashville

**TEXAS**

Austin

Dallas

Fort Worth

Houston

**UTAH**

Salt Lake City

**VIRGINIA**

Richmond

Vienna

**WASHINGTON**

Seattle

**WISCONSIN**

Green Bay

Milwaukee

## Our Philosophy

Our corporate philosophy is to provide “best in class” service to our clients through regionally-based consulting services teams.

## Our Mission

To partner with our clients to bring distinctive value to their business and to bring uncommon insight and lasting solutions to the management of their risks.

In keeping with our philosophy, we have assembled a service team for the City that is comprised of senior practitioners and project managers from our Health & Benefits Consulting Practice.

We pursue this mission by:

- Anticipating the ever-changing needs of our clients and providing value through a breadth of products, services and resources specific to those needs
- Engaging a professional staff with deep industry and product knowledge supported by cutting-edge tools and technology
- Leveraging our global distribution network, transforming global expertise into local solutions

## Our Commitments

**We offer our clients a commitment to quality** – providing the highest standard in expert counsel and execution, innovative products and technology, and creative solutions and services. And we deliver on this commitment with the utmost in integrity and transparency.

**We offer our employees a commitment to professional fulfillment** – respecting diversity of thought and culture, promoting individual growth and development, and recognizing and rewarding outstanding achievement.

**We offer our shareholders a commitment to continuously increasing return on investment** – applying a disciplined approach to growth, investment decisions and expense control.

**We offer our community a commitment to sharing our success** – contributing our time, energy and resources to causes and organizations benefiting our neighbors, both local and global.

Aon provides a comprehensive range of benefits services and innovative solutions to help our clients develop strategies and assess programs, build essential core programs, deliver competitive total rewards, maximize financial performance, and effectively manage risks.

Health & Benefits	Retirement	Communication, Talent & Rewards	Human Resource Outsourcing	Financial Advisory and Litigation Consulting	Radford and McLagan	Global Benefits
<ul style="list-style-type: none"> <li>Health &amp; Welfare</li> <li>Coalition purchasing group</li> <li>Consumer Driven Healthcare</li> <li>Data Analytics</li> <li>Elective Benefits</li> <li>Health Management</li> <li>Integrated Health &amp; Productivity</li> <li>Medical Claims Audit</li> <li>Medical Management Audits</li> <li>Medicare Part D</li> <li>Prescription Drug Benefits</li> <li>Retiree Medical</li> <li>Workforce Strategies</li> <li>Center for Predictive Data</li> </ul>	<ul style="list-style-type: none"> <li>Executive Benefits</li> <li>TAX and ERISA</li> <li>Investment Consulting</li> <li>Insurance Consulting</li> <li>Defined Benefit</li> <li>Defined Contribution</li> </ul>	<ul style="list-style-type: none"> <li>Benefacts</li> <li>Compensation Communication</li> <li>Health &amp; Benefits communication</li> <li>HR Communication</li> <li>Retirement Communication</li> <li>Employee and Recruitment Process Outsourcing</li> <li>Business &amp; HR Alignment strategies</li> <li>Leadership assessment and development</li> <li>Talent &amp; Performance management</li> <li>Workforce selection and assessment</li> <li>Workforce training and development</li> </ul>	<ul style="list-style-type: none"> <li>HR strategy development</li> <li>Job design and competency modeling</li> <li>Talent selection, assessment and recruitment support</li> <li>Performance management and leadership effectiveness</li> <li>Training &amp; development</li> <li>Employee benefits outsourcing</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Investigative Services</li> <li>Expert Advice</li> <li>Forensic Accounting</li> <li>IT Risk Consulting</li> <li>Litigation Consulting</li> </ul>	<ul style="list-style-type: none"> <li>Compensation surveys / benchmark</li> <li>Pay and productive studies</li> <li>Market share studies</li> <li>Expense benchmarks</li> <li>Compensation plan design</li> <li>Compensation advisory / counsel</li> </ul>	<ul style="list-style-type: none"> <li>Employee Benefits</li> <li>Coalition Purchasing</li> <li>Outsourcing</li> <li>Membership Group Purchasing Programs</li> <li>Voluntary Benefits Services</li> <li>Benefit Assessment Surveys</li> <li>Evaluation of Workforce Productivity</li> </ul>



## The Aon Team

Aon Consulting supports the philosophy that certain consultants bring particular expertise to the process. We have found that this creates efficiency in the consulting process and supports our "Best in Front" approach.

Kelley Stuck, Account Executive, will provide assistance and oversight to the H&W Project Managers. Bios for the team members and other subject matter experts are provided for your review.

We have identified the City's team, their roles and expertise on specific areas of your program.

Team Member	Role on Team	Credentials
<b>Kelley Stuck, SPHR</b> Vice President Kansas City, MO	Account Executive	Senior Professional in Human Resources (SPHR) designation from SHRM  Licensed Life and Health Agent (KS and MO)  BSE from Truman State University MSA from University of Michigan
<b>Mark Heatley</b>	Business Development	Certified Employee Benefit Specialist (CEBS)  Certified Retirement Services Specialist (CRSP)  BS from Kansas State University
<b>Lana Slavik</b>	Senior Benefits Specialist	Licensed Life and Health Agent (MO and KS)  BS from University of Kansas
<b>Diane Junger</b>	Financial Analyst/ Underwriter	Licensed Life and Health Agent (MO and KS)  BS from Southeast Missouri State University

### **Kelley Stuck, Vice President, Account Executive**

As your account executive, Kelley will coordinate the services outlined in this RFP for the City of Wichita. Kelley serves as the Practice Leader for Aon Kansas City and consults on a variety of health and benefit areas including core health and benefit selection, implementation and monitoring, wellness programs, benefit surveys, benchmarking, data analysis, compliance, elective benefits, HR training and communication. Prior to joining Aon, Kelley served in a leadership role for an integrated healthcare delivery system of 3,000 employees. Her areas of responsibility included Human Resources, Marketing Communications, Education and Employee Health and Productivity. She has experience at a variety of levels, including strategic planning, operations and project management. Kelley has also held a leadership role within a health plan in the areas of sales and customer service.

Kelley is certified as a Senior Professional in Human Resources (SPHR) by the Society for Human Resource Management (SHRM) and is a licensed health and life agent. She is a member of the Employee Benefits Institute of America (EBIA), SHRM, and the Kansas City Chamber of Commerce. Kelley has a Bachelor of Science in Education Degree in Mass Communication from Truman State University and a Masters of Science in Administration (emphasis in Human Resources) from Central Michigan University.

**Mark Heatley, CEBS, QPA, Business Development**

Mark brings 25 years of experience in the areas of retirement plan consulting, investments and fiduciary services. He has a strong background in plan design and fiduciary responsibility enabling him to offer creative solutions while at the same time helping plan sponsors manage their risk. Most recently, Mark led the employee benefit and institutional trust business of Commerce Bank where he was a senior executive for 12 years. He is responsible for developing new client and strategic partner relationships in Missouri and central and southern Illinois.

Mark has received the designations of Certified Employee Benefit Specialist (CEBS), Qualified Plan Administrator (QPA) and Certified Retirement Services Professional (CRSP). He is a member of the Employee Benefits Association of St. Louis, the American Society of Pension Professionals and Actuaries and the International Foundation of Employee Benefit Plans. Mark holds a Bachelor of Science degree in Business Administration and Finance from Kansas State University and has done post-graduate work at the University of Missouri – Kansas City.

**Lana Slavik, Sr. Benefits Consultant**

As a Benefit Consultant, Lana's responsibilities include market selection, analysis, and implementation, cost projection and proposal presentation for both self-funded and fully insured programs. Lana will work closely with the client to handle many of the day to day service and has been with Aon in the Kansas City office since 2003.

Prior to joining Aon Consulting, Lana worked in Human Resources as a Benefits Technician in the corporate office of a 3,000 employee national retail company. She has eight years experience in human resources and benefits consulting.

Lana has a Bachelor of General Studies degree in Psychology from the University of Kansas. She is a member of the Employee Benefit Professional Association, and a licensed Life and Health agent.

**Diane Junger, Financial Analyst/Underwriter**

Diane is an underwriting consultant in the health and benefits practice of Aon's St. Louis office, specializing in financial analysis. Her primary responsibilities include working with clients to project future benefit costs. These projections involve analyzing variables, such as managed health care discounts, benefit plan design changes and the annual rise in health care costs. Much of this information is used to establish employer (client) budgets and monthly employee contribution amounts. She has significant expertise in working with clients whose benefit plans are being consolidated or for those in a merger or acquisition situation. She manages a team of underwriting consultants.

Prior to joining Aon in 2000, Diane served for 11 years as a large group medical underwriter for General American Life Insurance Company (which was purchased by Great West Life and recently CIGNA). She specialized in ASO, minimum premium and fully insured funding arrangements.

Clients Diane currently serves include Ascension Health, Mohegan Sun, O'Charley's Inc. and Smurfit-Stone Container Corporation. She has experience working Metro the public transportation system in St. Louis, and the St. Louis police department.

Diane is a licensed health and life agent. She graduated from Southeast Missouri State University with a Bachelor of Science degree in Business Administration.

## **Subject Matter Experts**

### **Justin Kindy, ASA, MAAA, Vice President**

Justin Kindy is a Vice President in the health and welfare practice of Aon Consulting's Denver office. Mr. Kindy has just under a decade of health and welfare experience, with a focus in both actuarial and consulting disciplines. His areas of expertise include pricing, funding strategy, reserving, plan management, and retiree health care for all health and welfare plans.

Justin has substantial experience in the analysis and implementation of Medicare Part D strategies, including Actuarial Equivalence Attestations and Employer Prescription Drug Plan (PDP) applications. Further, Justin has worked with the Kansas City office to assist in the actuarial evaluation of health plans and consumer defined plan analysis.

Throughout his career, Justin has assisted on several State plans as associate consultant, where he aided in providing testimony to State Legislatures and Boards on actuarial and health issues. These states include Oklahoma, Kansas, New Mexico, and Nevada.

Justin is an Associate of the Society of Actuaries and is a Member of the American Academy of Actuaries. He graduated with Highest Distinction from Purdue University with a triple major; Bachelor of Science degrees in Actuarial Science, Mathematics with Computer Science Emphasis, and Statistics. He also obtained a minor in Management.

### **Hitesh Patel, Ph.D., Vice President**

Hitesh Patel is a Vice President at Aon Consulting and is also the National Pharmacy Practice Leader. Hitesh specializes in providing pharmaceutical services that ensure that employers are obtaining an improved return on investment in their pharmacy benefit spending by focusing on appropriate benefit design, PBM selection and auditing. Hitesh also focuses on improving outcomes through improved health management programs.

Hitesh earned his Bachelor's degrees in Pharmacy from the University of London in the United Kingdom and from Long Island University in New York. Hitesh also earned his Masters in Management from Northwestern University in Illinois.

Hitesh is a licensed Pharmacist and provides a well rounded clinical, managerial and outcomes focus to the practice.

Prior to joining Aon, Hitesh worked for 12 years in the PBM industry in various clinical, financial, analytical and outcomes leadership roles. Prior to that, Hitesh worked in the hospital pharmacy industry in various managerial roles for 15 years and in the retail industry in the United Kingdom for one year. With his wide experience, Hitesh provides clients with an in depth understanding of the pharmaceutical marketplace and recommendations on how to improve their pharmacy benefit programs and improve the health of their members.

Hitesh is a member of the Academy of Managed Care Pharmacists, the International Society of Pharmacoeconomics and Outcomes Research, and the American Society of Healthcare Pharmacists. Mr.

Patel has presented at the Academy of Managed Care Pharmacists, the International Society of Pharmacoeconomics and Outcomes Research, various national and regional PBM conferences, employer coalitions, the National Managed Health Care Congress, the University of Arizona and the DNA forum. His topics have focused on various pharmacy benefit issues such as prescription trends, specialty drugs management, pharmacy benefits management programs, prior authorizations, Medicare Part D, compliance programs, disease management and outcomes measurement.

**Joann Hess, FSA, MAAA, Sr. Vice President, Actuarial Lead for Aon's Southeast Region**

Joann Hess is a senior vice president in Aon's Health & Welfare based in United States. Her primary function includes leading and developing the health, life and disability actuarial team for the Southeast Region. She specializes in health care financing strategy and actuarial analysis for employers and government payors, as well as providers.

Joann has over 18 years of group health and disability actuarial analysis with a focus on managed health care finances. Returning to Aon in 2006 after nine years directing in-house actuarial services for Coventry, she has worked with fully insured and self-funded commercial and government programs. Most recently focused on the bid and implementation of Part D for individuals and employer group sponsors.

Joann graduated magna cum laude with a Bachelor of Science degree in Mathematics from Loyola College in Maryland. She also is a Fellow of the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA).

**Michele Becker, Vice President, Health and Productivity Practice**

Michele Becker is a vice president in the Health & Benefits Division of Aon Consulting, based in Somerset NJ. She has 29 years of consulting/insurance experience during which time she has focused on the plan design, funding, administration and communication of health and welfare plans.

Michele has worked with both large and mid-market employers in a variety of industries, as well as public sector entities. She has been a key player in several large merger and acquisition projects, helping companies like AT&T bring new entities into the fold and enabling others, such as Lucent Technologies, break off and operate as independent corporations. While at Aon/ASA, much of Michele's time has been spent in the areas of strategic policy development, organizational management, client and project management, senior management metrics, vendor selection, performance reporting and customer satisfaction.

During the past few years, Michele's focus has shifted almost exclusively to advancing the concept of Consumerism in the employer community. She is Aon's national leader for Health Promotion/Wellness. In this role, Michele serves as the subject matter expert to Aon's consultants, helping them and their clients develop strategies to improve the health and productivity of their employee populations. Michele's work in this area includes all aspects of plan design, vendor selection, participant engagement, metrics for measuring ROI/program effectiveness and employee communications.

Michele graduated cum laude with a Bachelor of Science in Education from the State University of New York at Plattsburgh.

## References

### **City of Olathe**

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City Treasurer  
201 N. Cherry  
Olathe, Kansas 66051  
913-971-6488

### **St. Clair County of Illinois**

Betty Martz  
Manager, Personnel and Fringe Benefits  
#10 Public Square  
Suite 580B  
Belleville, Illinois 63103  
618-277-6600

### **St. Louis Metropolitan Police Department**

Monica Green  
Supervisor  
1200 Clark Avenue  
St. Louis, Missouri 63103  
314-444-5582

Aon has a long-standing commitment to public-sector consulting. The following list highlights some of the experience we have had with other public sector clients.

<i>Name of Client</i>	<i>Commentary</i>
<b>Federal</b>	
Board of Governors of the Federal Reserve System	Compensation planning.
Department of Energy	Oversight of DOE contractor's employee benefit, compensation, and risk management plans nationwide.
Federal Deposit Insurance Corporation (FDIC)	General health and welfare consulting, compensation consulting, actuarial consulting, OTS retiree liability consulting.
Federal Reserve System	Communication, benefit statements, and general benefits consulting.
National Railroad Passenger Corporation (Amtrak)	Health and welfare, compensation, and actuarial consulting.
Office of Thrift Supervision	Health and welfare consulting.
Special Agents Mutual Benefit Association (SAMBA)	Health and welfare consulting, health plan actuarial consulting.

<i>Name of Client</i>	<i>Commentary</i>
U.S. Commodity Futures Trading Commission	Health and welfare consulting, compensation, and employee communication consulting.
United States Postal Service (USPS)	Expert testimony on trends in health insurance including costs, contribution, and benefits; calculation of contribution cost for health insurance plans (approx. 250 plans) and contribution formula modeling; research and presentation to USPS unions on benefit trends and USPS costs.
<b>State</b>	
Commonwealth of Virginia	Health and welfare underwriting and actuarial consulting.
New Jersey Department of Health	Refining DRG payment system for New Jersey hospitals.
New York State Department of Health	Designing and developing DRG payment system for State hospitals.
North Carolina Teachers' and State Employees' Comprehensive Major Medical Plan	Actuarial and consulting in all areas regarding plan including: attending legislative sessions; preparing actuarial notes; direct contracting; reviewing premium rates; designing PPO plan, establishing reserves; projecting claims; evaluating HMOs; designing long-term care plan and ancillary benefits.
Penn State University	Actuarial services.
Pennsylvania Public School Employees' Retirement System (PSERS)	Strategic planning, carrier renewals and settlements, HMO management, vendor selection and management, plan design and funding, and all HOP communication (including strategy, development, and production).
State of Louisiana	Actuarial services for benefits plans, consulting in all areas including: attending legislative sessions; preparing actuarial notes; direct contracting; establishing premium rates; designing PPO plan; establishing reserves; projecting claims; evaluating HMOs; reviewing medical fee schedules, and strategic planning.
State of Maryland	Renewal evaluation/negotiation, cost projections and IBNR reserves, employee contribution setting, and competitive bidding.
State of North Carolina	Actuarial and consulting services in all areas regarding the health and welfare plan including: attending legislative sessions, preparing actuarial notes, direct contracting, establishing premium rates, designing premium rates, designing PPO plans, establishing reserves, projecting claims, evaluating HMOs, designing long-term care plan and ancillary benefits, and reviewing medical fee schedules.
State of Oregon Accident Insurance Fund (SAIF)	Actuarial services.
State of Oregon/PEBB	Communication consulting.

<i>Name of Client</i>	<i>Commentary</i>
State of Virginia	Full spectrum of health and welfare consulting and actuarial services.
The Commonwealth of Massachusetts	Developing DRG payroll weights for Massachusetts hospitals.
The Maryland National Capital Park and Planning Commission	Compensation planning.
<b>Municipalities</b>	
Baltimore City Public Schools System	Employee benefits outsourcing and communication.
Broward Sheriff's Office	Health and welfare consulting.
Calvert County	Actuarial services.
Citrus County Schools	Review and analysis of plans and funding; remarketing, placement, and coordination of new medical options; actuarial certification (FS 112.80).
City of Baltimore	General health and welfare consulting, renewals, IVR annual enrollment, communication materials development.
City of Casselberry	Review and analysis of current medical program; medical plan marketing; medical dental, life; short-term disability, and voluntary benefits consulting services.
City of Clearwater	Review and analysis of current medical program: medical, dental, mental nervous and EAP plan marketing; medical, dental, disability, and voluntary benefits consulting services; benefit plan communication; pension plan survey; benchmarking project.
City of Coral Springs	Employee communication; medical, dental, life, vision, long-term disability consulting services; actuarial certification (FS 112.08); redesign and consolidation to a universal enrollment form.
City of Portland	General health and welfare consulting and communication consulting.
City of Seattle	General health and welfare consulting, communication consulting, investment advisory, and defined contribution consulting.
City of Tavares	Review and analysis of medical plan; marketing of dental plan and LTD. Employee survey development.
City of Temple Terrace	Review and analysis of the current medical program. Medical plan marketing. Medical, dental, life, short-term disability, and voluntary benefits consulting services. Designed Flex enrollment form.
City of Zephyrhills	Review and analysis of the current medical program. Medical plan marketing. Medical, dental, life, short-term disability, and voluntary

<i>Name of Client</i>	<i>Commentary</i>
	benefits consulting services.
Clay County Schools	Review, management, and placement of benefits programs. Medical and Dental plan marketing, negotiations of plan savings. Consolidated print communication. Electronic Data Interfaces to vendors and CCPS' payroll, resulting in a clean enrollment and good data. HIPAA compliance audit and training. One-on-one enrollment of all benefit plans.
County of Merced	Health and welfare consulting.
County of Riverside	All employee benefit consulting services.
County of San Joaquin	Health and welfare consulting.
County of Tulare	Health and welfare consulting.
County of Volusia, Florida	Medical, dental, and actuarial services.
Gwinnett County	Financial analysis and cost projections, network analysis, related consulting services.
Hillsborough County BOCC	Ad-hoc consulting, short- and long-term disability, stop loss, communication, and employee focus groups.
Hillsborough County Schools	Web enrollment; print communication and video; electronic data interfaces; retirement plan actuarial valuation, general health and welfare consulting.
Hillsborough County Tax Collector	Plan documents, renewal negotiations, compliance.
Housing Authority of Baltimore City	Health and welfare, pension valuation, and actuarial services.
Illinois Department of Central Management	Actuarial pricing.
Imperial Polk County	Full service health and welfare consulting. Medical plan RFP process and discount analysis. Prescription RFP process and financial analysis. Disability plan negotiations. Ongoing plan management and monitoring.
Indian River County Schools	Review, management, and placement of benefits programs. Negotiation of savings resulting in significant savings. Review of alternative funding arrangements and potential costs of each.
Lake County BOCC	Market medical plan. Compliance. Ongoing financial reporting of medical plan.



<i>Name of Client</i>	<i>Commentary</i>
Lake County Clerk of the Circuit Court	Review and analysis of current medical plan. Stoploss marketing. Claims evaluation and reports. Medical, dental, life, long-term disability consulting services. Compliance.
Lee County BOCC	Review and analysis of all health and welfare programs, marketing, medical, dental, life, and long-term disability communication.
Montgomery College	Pension actuarial consulting, health and welfare consulting.
Montgomery County Office of Legislative Oversight	Total compensation survey and analysis including 13 local, state, and federal jurisdictions.
Montgomery County Public Schools (MCPS)	General health and welfare consulting, communication, and human resources technology.
Pinellas County Schools	Medical, dental, communications, development of creative managed care solutions, electronic data interfaces, web enrollment, flexible spending account administration, onsite representative, design and installation of multi-option plans with multiple networks.
Pinellas County Unified Personnel System	Life and supplemental life benefits consulting services; development, distribution, review, and analysis of employee satisfaction survey; FSA marketing material assistance; benefit plan communication consulting and logo development.
Sarasota County Schools	Argued renewal of board-paid long-term disability with carrier resulting in an initial increase going to a substantial rate decrease with a three-year rate guarantee. Review of medical renewal, including review of other options available and future alternatives. Explored the possibility of self-funding SCPS's life program (did not). Marketing of employee medical coverages.
Sussex County Delaware	Health and welfare consulting.
Tampa Housing Authority	Review benefit plan offerings and make recommendations for improvement, cost savings, and administrative efficiencies. Marketing and vendor negotiation. Prepare communication materials and assist with enrollment meetings.
Town of Bel Air	Medical plan marketing and renewal negotiations. Life plan renewal negotiations. Annual enrollment employee meetings.
Volusia County Schools	Medical plan marketing. Section 125 compliance. HIPAA compliance. Cost forecasting and analysis.
Washington Metro Area Transit Authority	Compensation and health and welfare consulting.

# Fees

## Core Services Pricing

Service	What Is It?	Suggested Timing	Pricing
Evaluation of Current Plans with Recommendations	<b>Strategic Planning</b> <ul style="list-style-type: none"> <li>Understanding of industry trends, emerging health care solutions, and the City's plan performance</li> </ul> <b>Plan Benchmarking</b> <ul style="list-style-type: none"> <li>Access to medical and prescription drug benchmarking information related to plan design, contributions and gross/net costs on an industry specific, employer size and regional basis</li> </ul> <b>Plan Design Modeling</b> <ul style="list-style-type: none"> <li>Actuarial tools to model potential plan designs and the impact on current and future costs (includes medical, prescription drug and consumer driven plan design modeling)</li> </ul>	Within first 2-3 months, then annually	\$20,000 first year \$10,000 following years
Financial Analysis	<b>Plan Funding Analysis</b> <ul style="list-style-type: none"> <li>Financial modeling comparison of current approach versus alternative funding approaches</li> </ul> <b>Contribution modeling</b> <ul style="list-style-type: none"> <li>Actuarial tools that: <ul style="list-style-type: none"> <li>model potential contribution scenarios and the impact on employer and employee costs</li> <li>demonstrate impact of potential contribution changes on established budgets</li> </ul> </li> </ul>	Annually	\$15,000

Service	What Is It?	Suggested Timing	Pricing
Self-insurance Cost Analysis	<b>Claims and utilization analysis</b> <ul style="list-style-type: none"> <li>Provides status update on how the plan is running in relationship to budget</li> <li>Provides historical trend information to support future plan direction</li> </ul>	Monthly	\$12,000
Vendor selection process	<ul style="list-style-type: none"> <li>Full request for proposal process for potential new vendor partners</li> <li>Network discount analysis</li> <li>GeoAccess</li> <li>Analysis and Recommendation Development</li> <li>Presentation of Results</li> </ul>	As identified in yearly fees below	\$30,000
Renewals	<ul style="list-style-type: none"> <li>Formal request for renewals from current vendors with outlined expectations and information required</li> </ul>	Annually	\$15,000
Health and Productivity Analysis/ Recommendations	<ul style="list-style-type: none"> <li>Review of current health management program including disability programs, absence management, carrier health management and wellness program</li> <li>Integration of Wellness Coaches USA offering (It is expected at this time that the City will continue the \$55,000 contract through 2010)</li> </ul>	Annually	\$15,000 first year to understand programs and identify level of data available  25,000 to \$35,000 second year depending on availability of data  \$15,000 following years
Client Service Management	<ul style="list-style-type: none"> <li>Answer day-to-day questions</li> <li>Resolve carrier issues</li> <li>Review contract</li> <li>Benchmark plan data</li> <li>Execute plan implementation</li> </ul>	Annual Fee	\$25,000
HR Training	<ul style="list-style-type: none"> <li>Provides web-based training to organization's HR staff</li> </ul>	Available for access at the HR staff member's convenience.	Included

## Annual Fee Summary

Benefit Year	Services Provided	Pricing
2008	<ul style="list-style-type: none"> <li>• Evaluation of Current Plans with Recommendations</li> <li>• Financial Analysis</li> <li>• Self-insurance Cost Analysis</li> <li>• Vendor RFP and selection for non-medical services</li> <li>• Client Service Management</li> <li>• Health and Productivity Review (including review of Wellness Coach USA services)</li> <li>• HR Training</li> </ul>	\$20,000 15,000 12,000 30,000 25,000 15,000 Included
Total Fee for 2008*		117,000
2009	<ul style="list-style-type: none"> <li>• Evaluation of Current Plans with Recommendations</li> <li>• Financial Analysis</li> <li>• Self-insurance Cost Analysis</li> <li>• Vendor RFP and selection for medical services</li> <li>• Client Service Management</li> <li>• Health and Productivity Data Analytics and Recommendations</li> <li>• HR Training</li> </ul>	\$10,000 15,000 12,000 30,000 25,000 25,000 Included
Total Fee for 2009*		117,000
2010	<ul style="list-style-type: none"> <li>• Evaluation of Current Plans with Recommendations</li> <li>• Financial Analysis</li> <li>• Self-insurance Cost Analysis</li> <li>• Vendor RFP and selection for wellness services</li> <li>• Pharmacy Sample Audit</li> <li>• Client Service Management</li> <li>• Health and Productivity Data Analytics and Recommendations</li> <li>• HR Training</li> </ul>	\$10,000 15,000 12,000 30,000 10,000 25,000 15,000 Included
Total Fee for 2010*		117,000

Benefit Year	Services Provided	Pricing
2011	<ul style="list-style-type: none"> <li>• Evaluation of Current Plans with Recommendations</li> <li>• Financial Analysis</li> <li>• Self-insurance Cost Analysis</li> <li>• Vendor RFP and selection for non-medical services</li> <li>• Client Service Management</li> <li>• Health and Productivity ROI Analysis</li> <li>• HR Training</li> </ul>	\$10,000 15,000 12,000 30,000 25,000 25,000 Included
Total Fee for 2011*		117,000
2012	<ul style="list-style-type: none"> <li>• Evaluation of Current Plans with Recommendations</li> <li>• Financial Analysis</li> <li>• Self-insurance Cost Analysis</li> <li>• Vendor RFP and selection for medical services</li> <li>• Client Service Management</li> <li>• Health and Productivity Review/Recommendations</li> <li>• HR Training</li> </ul>	\$10,000 15,000 12,000 30,000 25,000 15,000 Included
Total Fee for 2012*		107,000

\*Aon will provide services on a fee basis with the exception of the voluntary programs. Aon will accept commissions for the management of these programs since voluntary carriers are generally not willing to carve out the commissions.

## Optional Services

Service	What Is It?	Suggested Timing	Pricing
Employee Benefit Communication (4 page)	<ul style="list-style-type: none"> <li>Assists the City in mitigating employee confusion and discontent during benefit changes. Particularly useful during major times of change.</li> </ul>	Annually	\$15,000
Pharmacy Audit (full)	<ul style="list-style-type: none"> <li>Full audit of pharmacy claims</li> </ul>	Can be done at any time	\$20,000 to \$30,000
Dependent Eligibility Audit	<ul style="list-style-type: none"> <li>Audit to identify and remove ineligible dependents</li> </ul>	Can be done at any time	\$15,000 to \$20,000
CDH Plan Design and Implementation	<ul style="list-style-type: none"> <li>Provides actuarial analysis to determine if a CDH strategy is a "good fit" for the City</li> <li>Forecasts migration and financial impact</li> <li>Development of a communication strategy to ensure success</li> </ul> <p>Note: Plan Design Costs are included in the annual plan fees</p>	First quarter of any plan year	\$20,000 to \$35,000 depending on scope of project
Health and Benefit Compliance Review	<ul style="list-style-type: none"> <li>Reviews health and benefit plans to identify areas of concern.</li> </ul>	Initially and as significant changes occur.	\$8,500
Total Reward Communication	<ul style="list-style-type: none"> <li>Allows the City or provide an overall value analysis, specific to each employee, of their total rewards including compensation, benefits and other value-added services</li> </ul>	Annually	\$15,000
On-line Enrollment Services	<ul style="list-style-type: none"> <li>Provides an automated method for, communicating with your employees, open enrollment services and data transfer to carriers</li> </ul>	Annually	Based on scope of services.



*Aon Consulting*

# **ABC Company**

## **Benchmarking of Employee Benefit Plans**

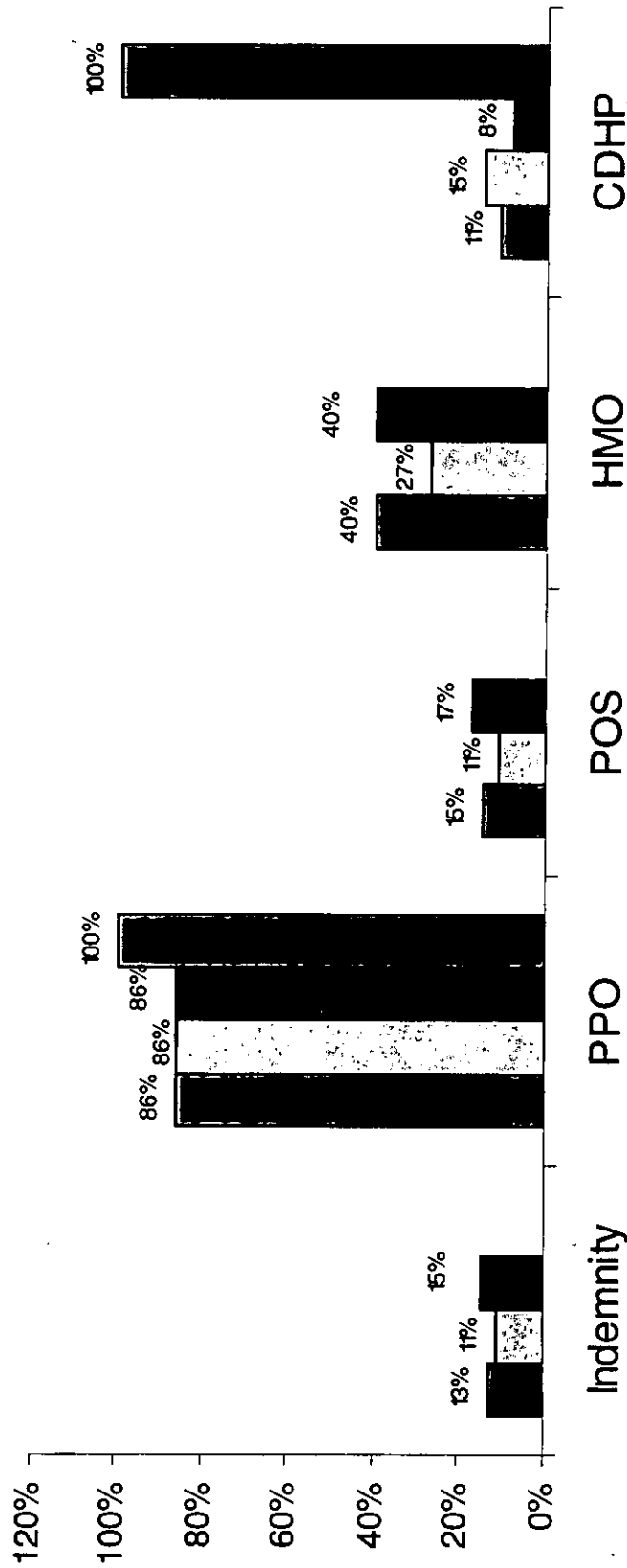
**February 2008**





# Health Plan Prevalence

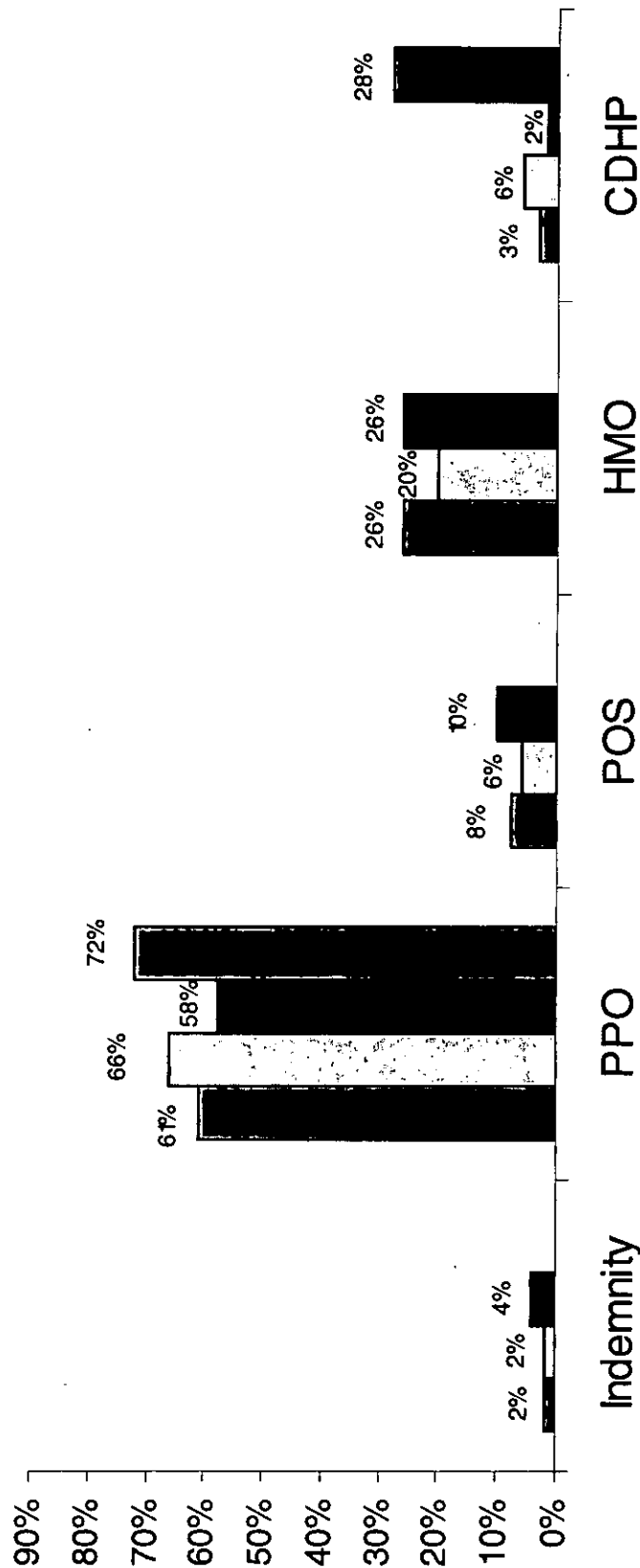
■ Large employers (500+) □ Midwest ■ Services ■ ABC Company



Note: - ABC Companies data is based on the 2007 Plan Year Design  
 - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Health Plan Enrollment

■ Large employers (500+) □ Midwest ■ Services ■ ABC Company



\* ABC Company currently offers a PPO and a CDHP Plan

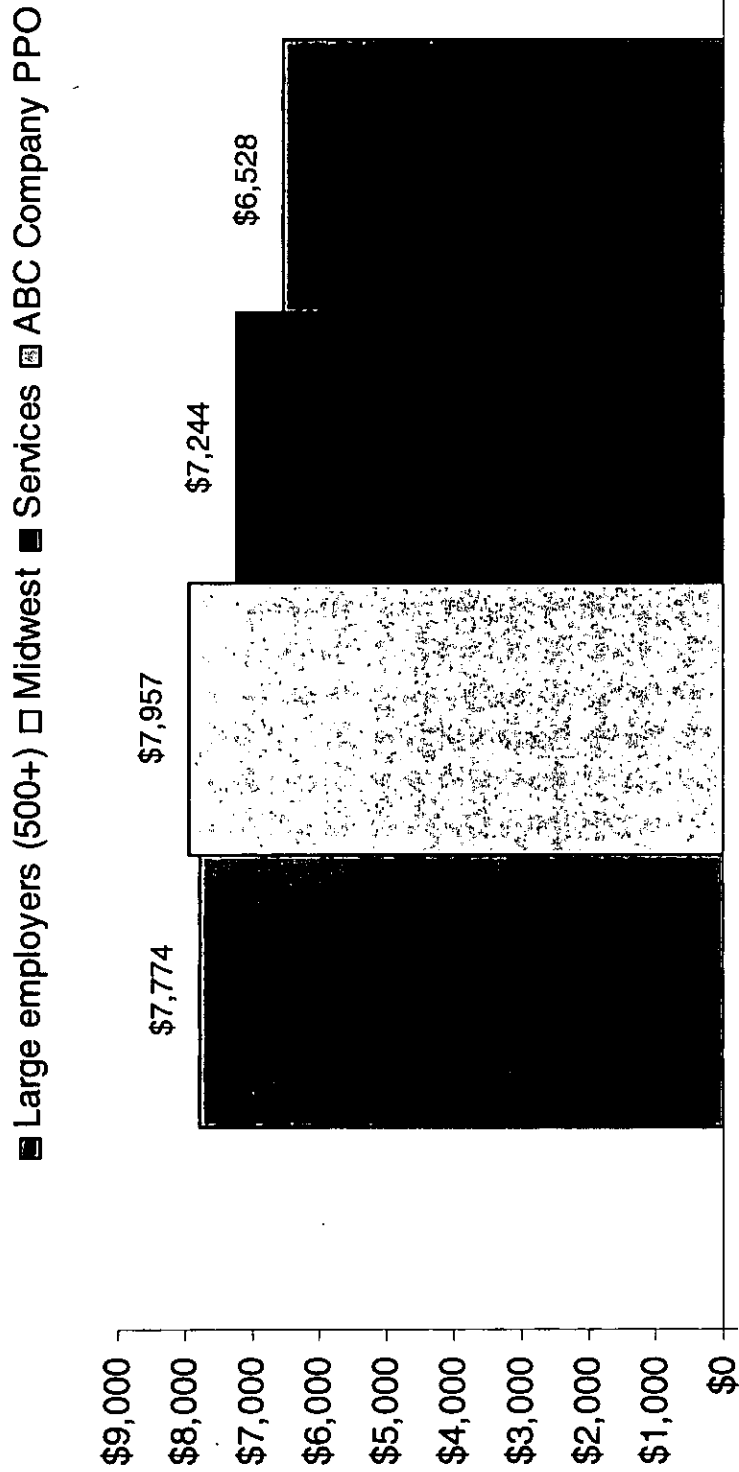
Note: - ABC Company's data is based on the 2007 Plan Year Design

- Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans



# Health Plan Cost Comparison

## Average PPO Plan Cost Per Active Employee



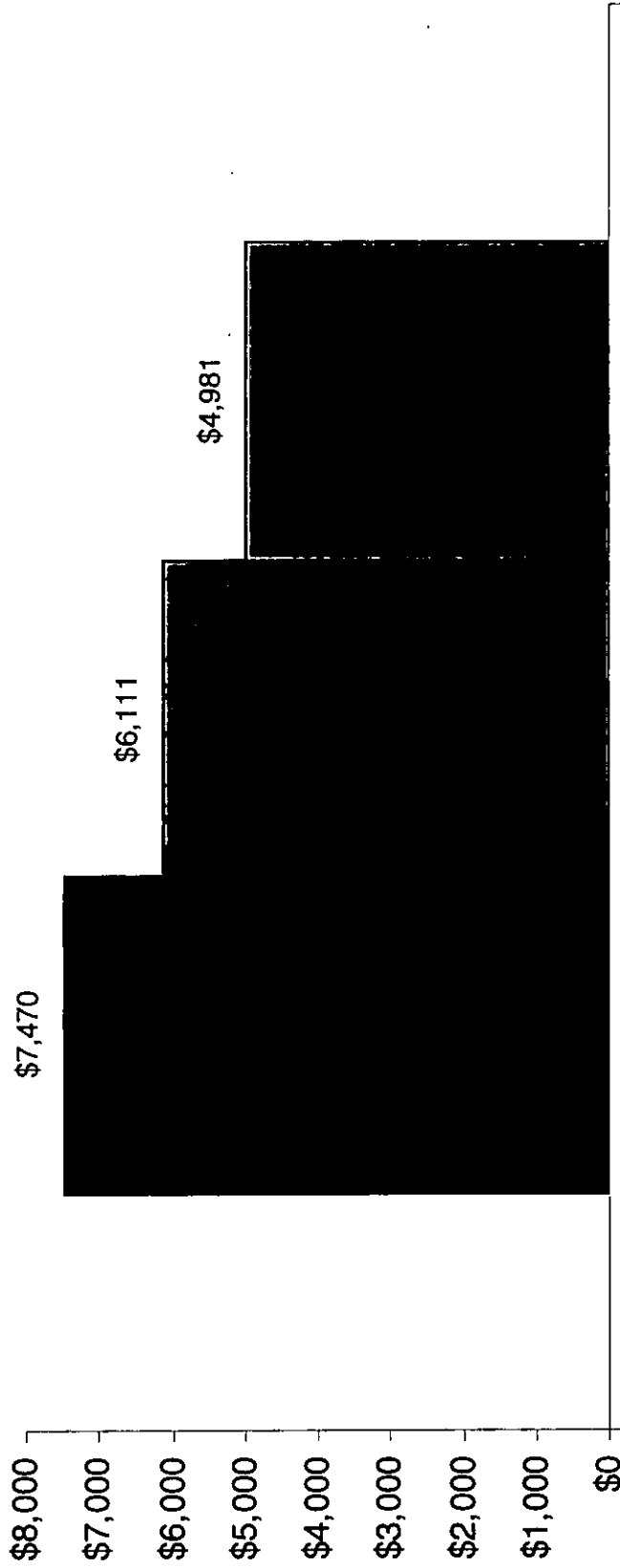
Note: - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans. The 2006 benchmark data was trended forward using trend factor of 10.6%

- ABC Company's data is based on the 2007 Plan Year Design

# Health Plan Cost Comparison

## Average CDHP Plan Cost Per Active Employee

■ HRA Benchmark ■ H S A Benchmark ■ ABC Company CDHP



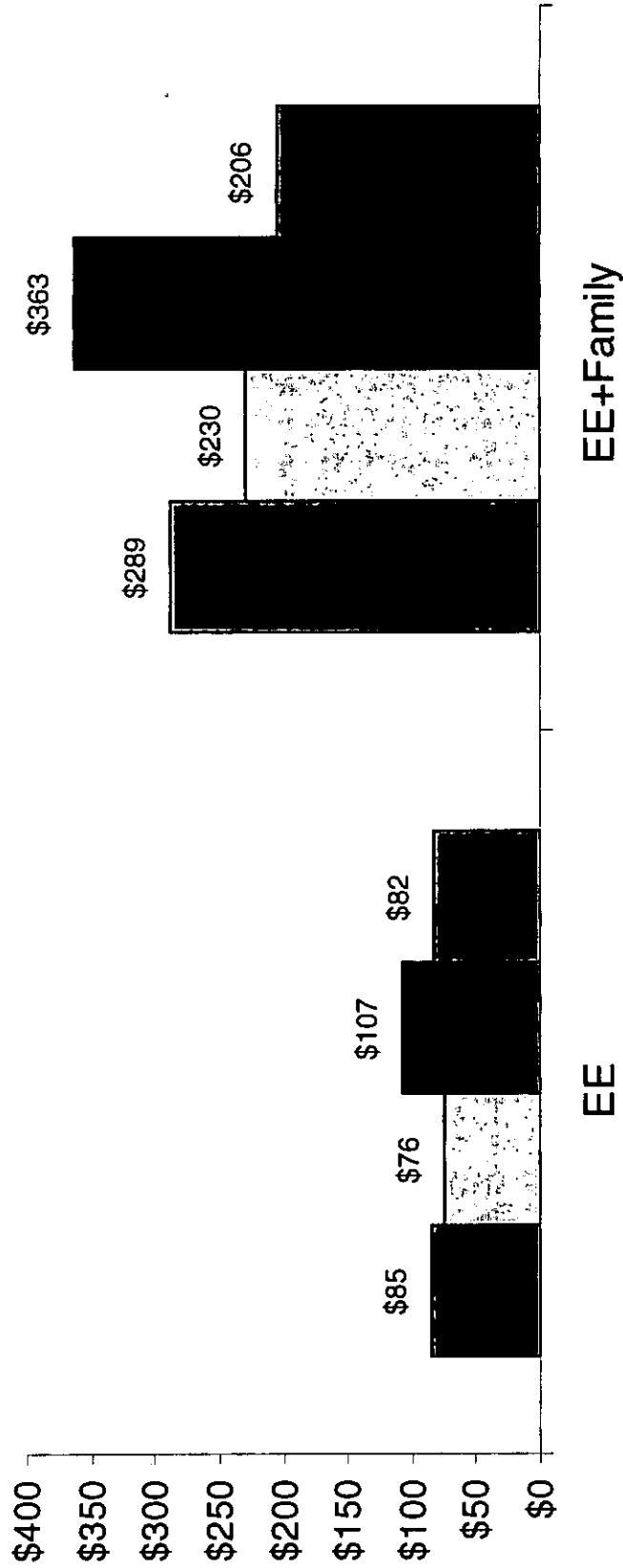
Note: - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans. The 2006 benchmark data was trended forward using trend factor of 10.3%

- ABC Company's data is based on the 2007 Plan Year Design. The cost above includes employer contributions to the HRA accounts for the benchmark and ABC Company's.

# Employee Contributions

## PPO Average Monthly Contributions in Dollars

■ Large employers (500+) □ Midwest ■ Services ■ ABC Company PPO

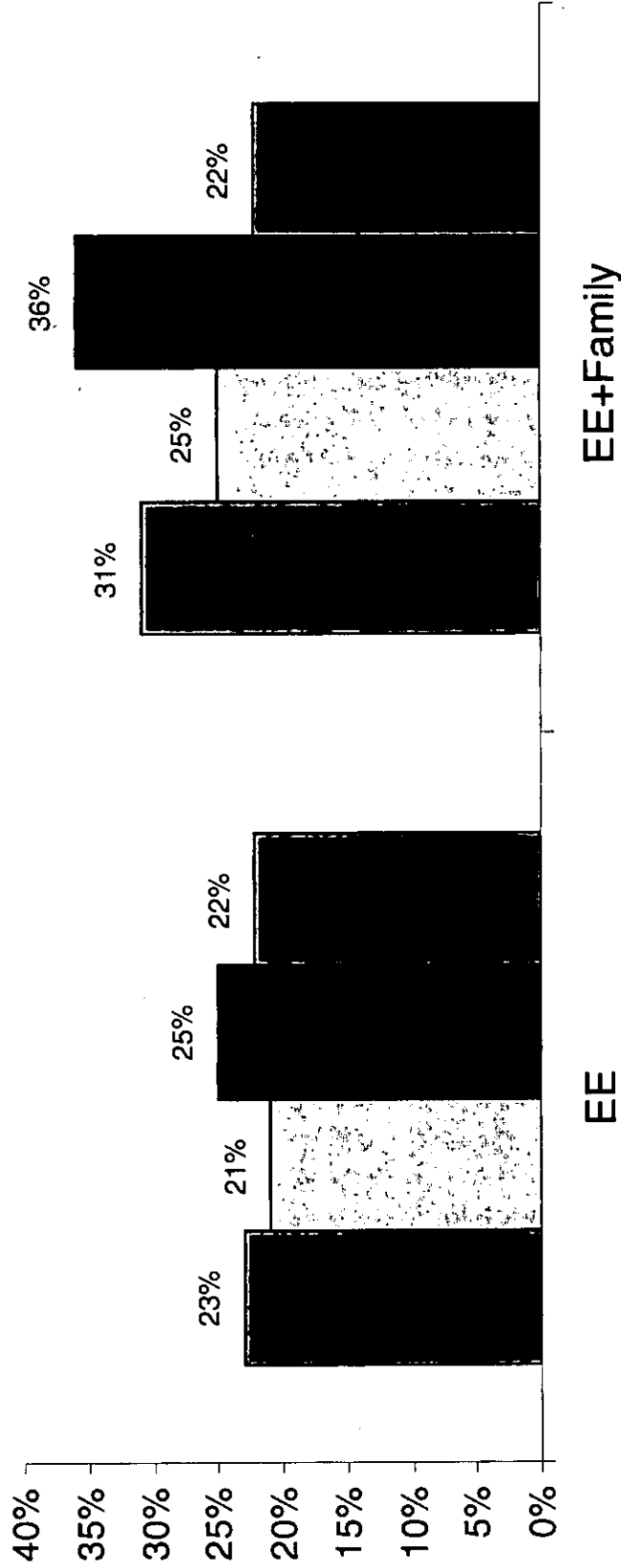


Note: - ABC Company's data is based on the 2007 Plan Year Design  
 - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Employee Contributions

## PPO Average Monthly Contributions as % of Premium

Large employers (500+) 
  Midwest 
  Services 
  ABC Company PPO



Note: - ABC Company's data is based on the 2007 Plan Year Design  
 - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Employee Contributions

## CDHP Average Monthly Contributions in Dollars

Large employers (500+) 
  Midwest 
  Services 
  ABC Company CDHP



Note: - ABC Company's data is based on the 2007 Plan Year Design  
 - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Employee Contributions

## CDHP Average Monthly Contributions as % of Premium

■ Large employers (500+) □ Midwest ■ Services ■ ABC Company CDHP



Note: - ABC Company's data is based on the 2007 Plan Year Design  
 - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans



# Preferred Provider Organization

## Plan Design Comparison – Deductible

	Benchmark			ABC Company PPO
	Large employers (500+)	Midwest	Services	
<b>Deductible Required (Individual)</b>				
In-Network	74%	85%	72%	Yes
Out-of-Network	94%	96%	94%	Yes
<b>Deductible Required (Family)</b>				
In-Network	73%	85%	71%	Yes
Out-of-Network	93%	96%	93%	Yes
<b>Deductible Amount (Individual)</b>				
In-Network	\$300	\$300	\$300	\$400
Out-of-Network	\$500	\$500	\$500	\$800
<b>Deductible Amount (Family)</b>				
In-Network	\$750	\$900	\$750	\$1,200
Out-of-Network	\$1,100	\$1,200	\$1,000	\$2,400

Note: - ABC Company's data is based on the 2007 Plan Year Design

- Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Preferred Provider Organization

## Plan Design Comparison – Physician Office Visit

	Benchmark			ABC Company PPO
	Large employers (500+)	Midwest	Services	
Cost Sharing for In-Network Primary Care Physician's Visit:				
Coinurance Amount	20%	20%	20%	0%*
Median Copay Amount	\$20	\$20	\$20	\$15
Cost Sharing for In-Network Specialist Physician's Visit:				
Median Copay Amount	\$30	\$35	\$30	\$20
Cost Sharing for Out-of- Network Physician's Visit:				
Median Coinsurance Amount	30%	30%	30%	40%

Note: - ABC Company's data is based on the 2007 Plan Year Design. Preventative Care covered at 100% up to \$500 limit, deductible waived In-Network.

- Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Preferred Provider Organization

## Plan Design Comparison – Inpatient Hospital/Facility

	Benchmark			ABC Company PPO
	Large employers (500+)	Midwest	Services	
Cost Sharing for In-Network Hospital or Facility Visit:				
Median Coinsurance Amount	20%	20%	20%	20%
Median Copay Amount	\$250	\$200	\$250	\$0
Cost Sharing for Out-of- Network Hospital or Facility Visit:				
Median Coinsurance Amount	30%	30%	30%	40%

Note: - ABC Company's data is based on the 2007 Plan Year Design  
 - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Preferred Provider Organization

## Plan Design Comparison – Out-of-Pocket Maximum

Out-of-Pocket Limit for Individual:	Benchmark			ABC Company PPO
	Large employers (500+)	Midwest	Services	
Median In-Network	\$2,000	\$1,500	\$2,000	\$1,200
Median Out-of-Network	\$3,000	\$3,000	\$3,000	\$2,400

Note: - ABC Company's data is based on the 2007 Plan Year Design  
 - Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Consumer Driven Health Plan

## Plan Design Comparison for HRA-based CDHP (In-Network)

	Benchmark			ABC Company CDHP
	Large employers (500+)	Midwest	Services	
Employer Account Contribution				
Individual	\$500	\$500	ID	\$500
Family	\$1,500	\$1,500	ID	\$1,500
Deductible Amount				
Individual	\$1,250	\$1,000	ID	\$1,000
Family	\$3,000	\$2,800	ID	\$3,000
Out-of-Pocket Limit				
Individual	\$2,500	\$2,000	ID	\$1,000
Family	\$5,000	\$4,000	ID	\$3,000

Note: - ABC Company's data is based on the 2007 Plan Year Design.

The OOP Limit does not include the deductible.

- Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans

# Prescription Drugs

## Range of Rx Benefit Plan Designs

	Benchmark								ABC Company			
	Large Employers (500+)		Midwest		Services		ABC Company PPO		ABC Company CDHP			
	Card Plans	Mail Order Plans	Card Plans	Mail Order Plans	Card Plans	Mail Order Plans	Card Plans	Mail Order Plans	Card Plans	Mail Order Plans	Card Plans	Mail Order Plans
Employers Offering One-Tier Copay Plan	3%	7%	5%	10%	1%	8%	N/A	N/A	N/A	N/A	N/A	N/A
Employers Offering Two-Tier Copay Plan	17%	17%	16%	17%	21%	20%	N/A	Yes	N/A	Yes	N/A	Yes
Employers Offering Three-Tier copay	72%	70%	68%	65%	70%	64%	N/A	N/A	N/A	N/A	N/A	N/A
Co-payment	\$10/\$25/\$40	\$20/\$40/\$80	\$10/\$25/\$40	\$20/\$50/\$80	\$10/\$25/\$40	\$20/\$40/\$70	20%* after deductible	\$20/\$60	20%* after deductible	\$20/\$60	20%* after deductible	\$20/\$60
Percentage of Employers Using Co-Insurance	21%	14%	31%	21%	12%	8%	Yes	N/A	Yes	N/A	Yes	N/A

\*Annual RX Deductible is \$100 for Individual, and \$300 for Family

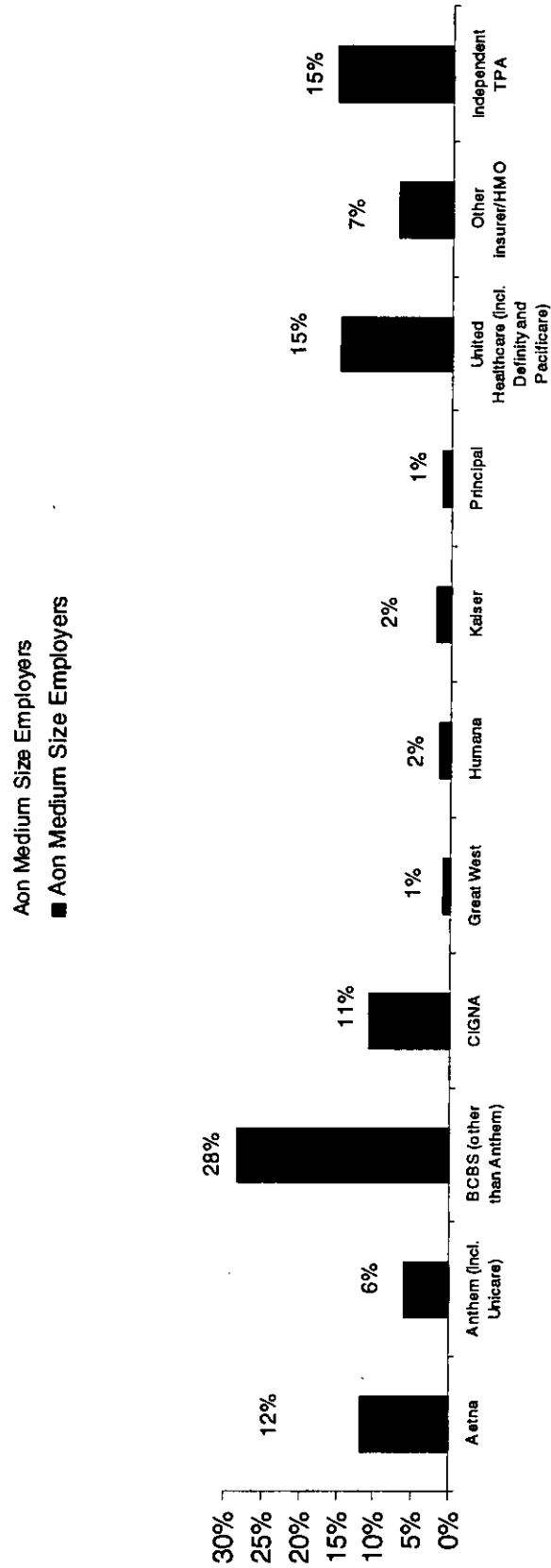
Note: - ABC Company's data is based on the 2007 Plan Year Design

- Survey data from the 2006 Mercer National Survey of Employer-Sponsored Health Plans and is based upon the PPO only



# Claims Administration

## Prevalence of Claims Administrator that Covers Majority of Employees



Note: - Survey data from the 2007 Aon Benefits and Talent Survey



*Aon Consulting*



# Communication Samples

## Ohio Department of Administrative Services Benefits Administration Services (BAS) 2006 EMPLOYEE SURVEY RESULTS

**OVERVIEW**  
BAS Benefits Administration Services (BAS) is pleased to share the results of the 2006 Employee Survey. The survey was conducted during August and September 2006. The survey was designed to gather information on employee satisfaction with the BAS services and to identify areas for improvement. The survey was conducted by a third-party research firm, and the results are confidential. The survey was conducted by a third-party research firm, and the results are confidential.

**THE 2006 EMPLOYEE SURVEY RESULTS**  
The 2006 Employee Survey was conducted by a third-party research firm, and the results are confidential. The survey was conducted by a third-party research firm, and the results are confidential.

**SECTION ONE: TELL US ABOUT OPEN ENROLLMENT**

## Ohio Department of Administrative Services Benefits Administration Services (BAS) 2006 EMPLOYEE SURVEY RESULTS

**SECTION ONE: TELL US ABOUT OPEN ENROLLMENT**

1. How often do you use the BAS website?  
34% - Yes  
66% - No

2. How often do you use the BAS website?  
34% - Yes  
66% - No

3. How often do you use the BAS website?  
34% - Yes  
66% - No

4. How often do you use the BAS website?  
34% - Yes  
66% - No

5. How often do you use the BAS website?  
34% - Yes  
66% - No

6. How often do you use the BAS website?  
34% - Yes  
66% - No

7. How often do you use the BAS website?  
34% - Yes  
66% - No

8. How often do you use the BAS website?  
34% - Yes  
66% - No

9. How often do you use the BAS website?  
34% - Yes  
66% - No

10. How often do you use the BAS website?  
34% - Yes  
66% - No

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3. How often do you use the BAS website?  
34% - Yes  
66% - No

4. How often do you use the BAS website?  
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5. How often do you use the BAS website?  
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7. How often do you use the BAS website?  
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9. How often do you use the BAS website?  
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66% - No

10. How often do you use the BAS website?  
34% - Yes  
66% - No

## Ohio Department of Administrative Services Benefits Administration Services (BAS) 2006 EMPLOYEE SURVEY RESULTS

**SECTION ONE: TELL US ABOUT OPEN ENROLLMENT**

1. How often do you use the BAS website?  
34% - Yes  
66% - No

2. How often do you use the BAS website?  
34% - Yes  
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3. How often do you use the BAS website?  
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9. How often do you use the BAS website?  
34% - Yes  
66% - No

10. How often do you use the BAS website?  
34% - Yes  
66% - No

## Ohio Department of Administrative Services Benefits Administration Services (BAS) 2006 EMPLOYEE SURVEY RESULTS

**SECTION TWO: TELL US ABOUT COMMUNICATIONS**

1. How often do you use the BAS website?  
34% - Yes  
66% - No

2. How often do you use the BAS website?  
34% - Yes  
66% - No

3. How often do you use the BAS website?  
34% - Yes  
66% - No

4. How often do you use the BAS website?  
34% - Yes  
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5. How often do you use the BAS website?  
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34% - Yes  
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7. How often do you use the BAS website?  
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8. How often do you use the BAS website?  
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66% - No

9. How often do you use the BAS website?  
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66% - No

10. How often do you use the BAS website?  
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66% - No

## Ohio Department of Administrative Services Benefits Administration Services (BAS) 2006 EMPLOYEE SURVEY RESULTS

**SECTION TWO: TELL US ABOUT COMMUNICATIONS**

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34% - Yes  
66% - No

2. How often do you use the BAS website?  
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3. How often do you use the BAS website?  
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66% - No

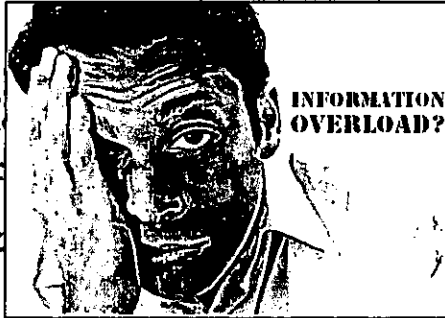
# WHAT

Tell us...  
are you getting  
what you need?

Between (insert dates), complete  
online survey so tell us how you  
information you need.

If you complete your survey by  
will be entered to win a prize:  
earn one  
earn two  
earn three

MedImmune



INFORMATION  
OVERLOAD?

We want to help!

Between (insert dates), complete  
a confidential, online survey so  
tell us how we can help you get  
the information you need.

If you complete your survey  
by (insert date), you will be  
entered to win a prize:

Earn one  
Earn two  
Earn three

MedImmune

# TOO MUCH?

too little?  
just enough?

Are you getting the  
information  
you need?

If, complete a confidential  
survey by (insert date), you  
will be entered to win a prize:  
earn one  
earn two  
earn three

MedImmune

Sample of the communication  
campaign to promote  
participation in the web-based  
employee survey.

## Branding Position Paper: U.S. Perspective

An internal brand was developed to clearly define the employment experience at Wiley.

Our services and transportation programs promote and support the safety and financial well-being of our employees and their families. Our career and incentive opportunities demonstrate our commitment to the best and brightest.

### Core Messages and Proof Points

Wiley promotes employee engagement, job satisfaction, and strong performance.

Wiley was named "America's Most Innovative Employer" for the 10th year in a row.

Programs at Wiley include:

• Flexible work schedules

• Wellness programs

• Employee assistance programs

Wiley is committed to creating opportunities for employee growth and development.

### Communication Guiding Principles

All services and materials support the brand's key messages.

The brand's key messages are examples of how communication should be used.

For more information on Wiley's brand, visit [www.wiley.com/brand](http://www.wiley.com/brand).

Develop a plan of communication.

Remember, the brand is not a slogan or a logo. It is the way we think and act.

For more information on Wiley's brand, visit [www.wiley.com/brand](http://www.wiley.com/brand).

Keep it simple. Keep it consistent. Keep it clear. Keep it honest.



## Wiley HR Brand Defined

### Brand story

The brand story is the narrative that describes the brand's history, mission, and vision. It is the foundation of the brand's identity and the source of its competitive advantage.

### Brand values

Brand values are the principles and beliefs that guide the brand's behavior and decision-making. They are the foundation of the brand's culture and the source of its competitive advantage.

### Brand personality

Brand personality is the set of human characteristics that are associated with the brand. It is the way the brand is perceived and the source of its competitive advantage.

### Brand positioning

Brand positioning is the way the brand is perceived in the market. It is the way the brand is differentiated from its competitors and the source of its competitive advantage.

### Brand architecture

Brand architecture is the way the brand is organized and structured. It is the way the brand is perceived and the source of its competitive advantage.

### Brand identity

Brand identity is the way the brand is perceived and the source of its competitive advantage. It is the way the brand is differentiated from its competitors and the source of its competitive advantage.

### Brand experience

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### Brand equity

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### Brand loyalty

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### Brand awareness

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### Brand recognition

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### Brand recall

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### Brand association

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### Brand image

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### Brand reputation

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### Brand perception

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### Brand attitude

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### Brand behavior

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### Brand performance

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### Brand success

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### Brand failure

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### Brand evolution

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### Brand innovation

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## Case Studies

# We partnered with Manufacturing Client to Help Reduce Lifestyle-Related Medical Claim Cost Increases

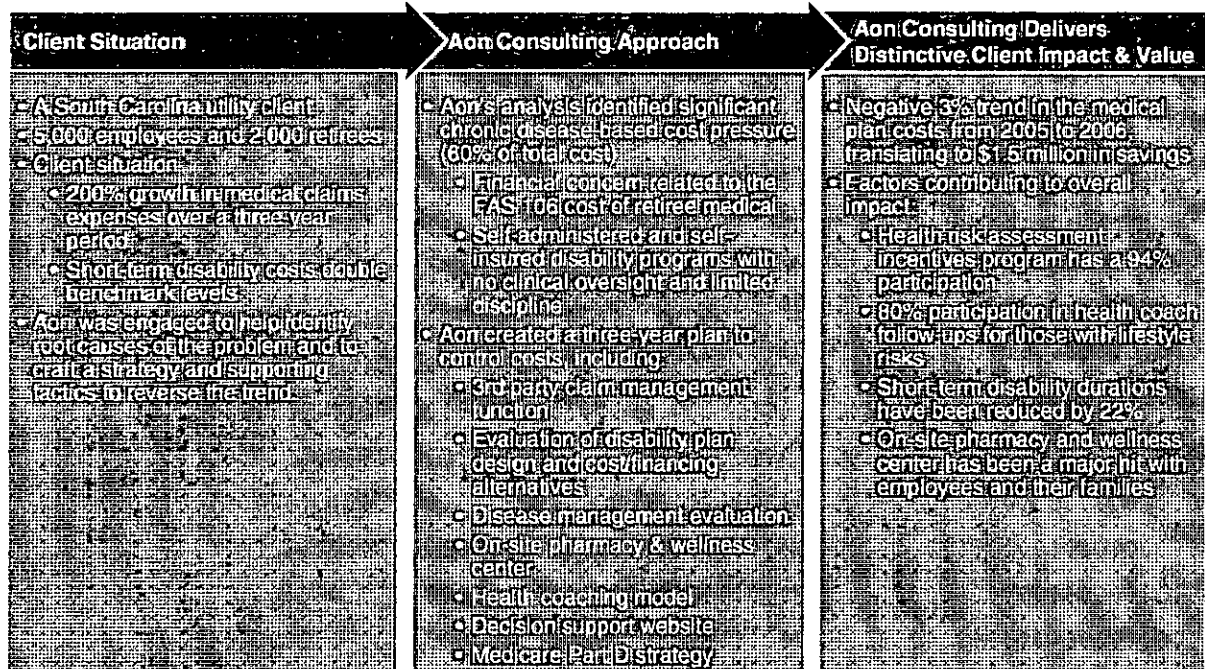
Client Situation	Aon Consulting Approach	Aon Consulting Delivers Distinctive Client Impact & Value
<ul style="list-style-type: none"> <li>An Ohio-based manufacturing client with 63 facilities</li> <li>8,000 employees worldwide</li> <li>Client situation               <ul style="list-style-type: none"> <li>CEO appointed to Governor's Healthy Ohioans Business Council</li> <li>Consistent increase in claims related to lifestyle risks, i.e. high cholesterol, sedentary lifestyle, high BMI, etc.</li> <li>Client has several on-site medical clinics and has long supported company-sponsored wellness initiatives</li> <li>Company planning to rollout health care employee contributions for first time</li> <li>As a long-standing client, their HR/benefits manager engaged Aon to help develop their corporate wellness strategy and manage the vendor selection process</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Aon facilitated several meetings with the HR staff to outline objectives and develop wellness strategy and incentive approach</li> <li>Comprehensive wellness vendor RFP and analysis managed by Aon with finalist meetings and on-site visit with chosen vendor</li> <li>Strategy-linked Health Risk Assessments (HRAs), lifestyle coaching and biometric screenings to achieve credits to flex plan, 401k, or cash               <ul style="list-style-type: none"> <li>First year, employee (and spouse) could earn credits by completing HRA and health screening</li> <li>Second year, participants earned credit by completing HRA, screening, and health coaching programs if stratified as moderate or high risk</li> <li>Third year, participants must do all of above plus make progress toward their health goal</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>The client's Healthy Choices program success is measured by:               <ul style="list-style-type: none"> <li>Claims savings</li> <li>Participation rates</li> <li>Reduction in health risk factors</li> <li>Improved participant outcomes (e.g., lower cholesterol, reduced BMI)</li> <li>Employee satisfaction</li> </ul> </li> <li>Client has reported:               <ul style="list-style-type: none"> <li>2007 participation rate of 60%</li> <li>Significant changes in risk factors and stratification</li> <li>Increased movement to low and moderate risk stratification</li> <li>Improvements in blood pressure, cholesterol (LDL), weight management, physical activity and diabetes</li> <li>ROI on claim savings for first two years calculated to be 2:15 to 1</li> </ul> </li> </ul>

**AON** CONSULTING

1

**AON**

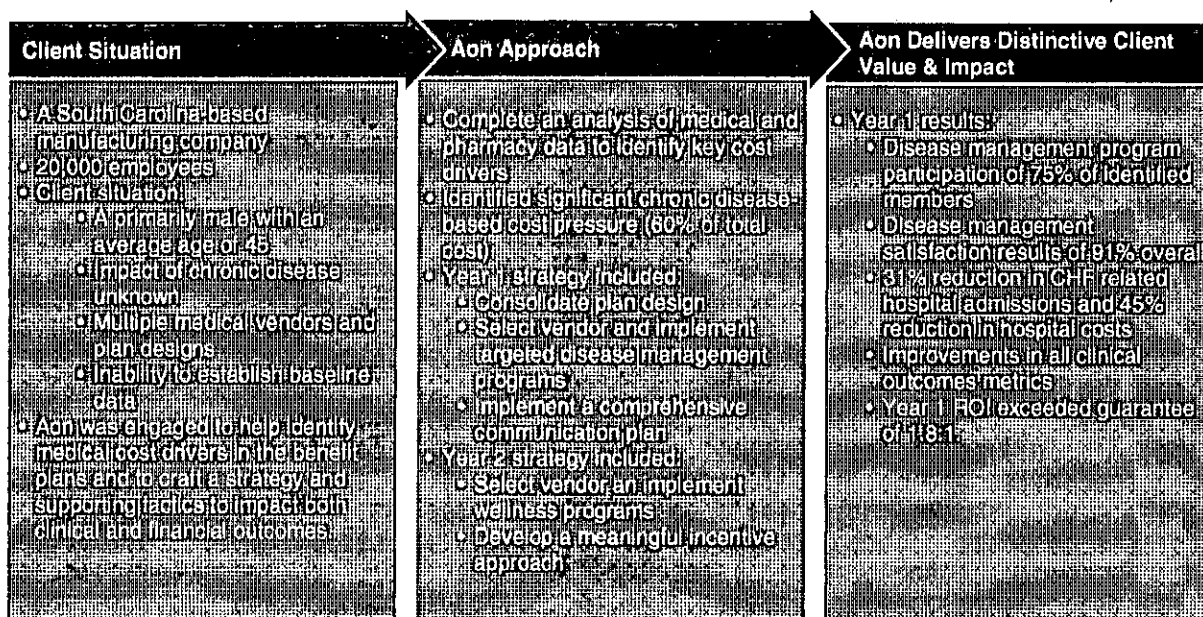
## Our Health Management strategy reversed cost increases & improved employee health for Utility Company



**Aon** CONSULTING

26

## Aon Partners with a Manufacturing Client to Reduce the Impact of Chronic Disease on Health Outcomes



**AON** CONSULTING

27

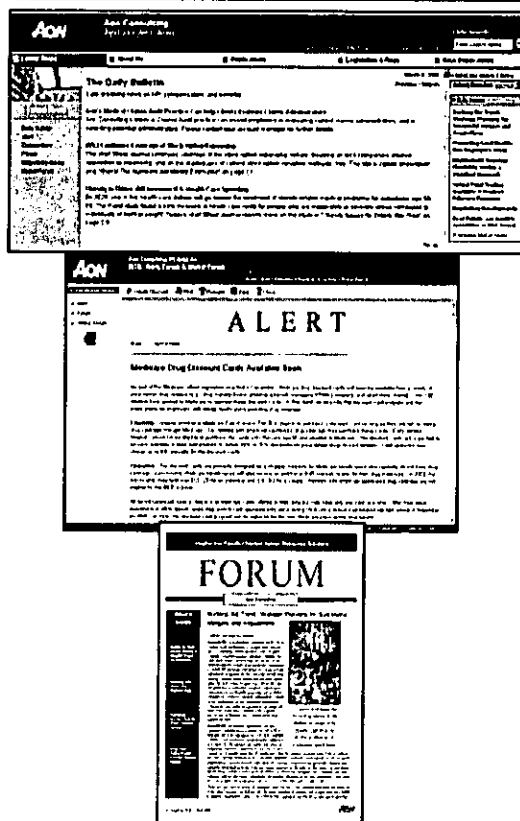


*Aon Consulting*

## Client Publications

### Research/Publications

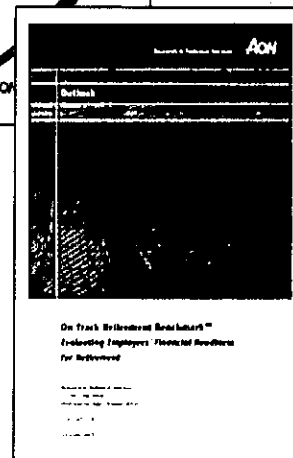
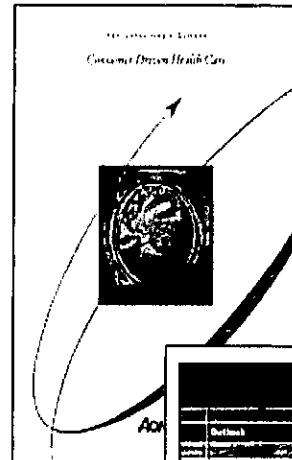
- **Daily Bulletin**
  - Internal tool sent via e-mail daily to Aon Consulting employees
  - Highlights published articles of interest and daily status updates on key legislation
- **Alert and Forum**
  - Client publications distributed on a regular basis
  - Inform clients of the latest developments in the benefits field
  - Topics include benefit trends, new legislation, and legal issues





## Research/Publications (cont'd)

- Outlook Briefs
  - Written by Aon consultants and Researchers, published four to six times each year
  - Provides in-depth technical information regarding employee benefit trends and practices, and proactive cost management measures
  
- Legislative Updates
  - Information distributed in publications, letters, *White Papers* or phone calls
  - Consultants notify clients of pending regulatory changes and new legislation at the federal, state and local levels
  - Includes analysis of the impact on clients' benefit plans and programs considering financial, legal and accounting aspects



## InfoLinx for Clients

The screenshot displays the Aon Consulting InfoLinx for Clients website. The browser window shows the URL <http://infoLinx.aon.com/InfoLinx/PLTS/Welcome.nsf/PLTS/CPperFrameset>. The page features a navigation bar with links to 'About Us', 'Publications', 'Legislation & Regs', and 'Govt. Publications'. The main content area is titled 'The Daily Bulletin' and includes a section for 'Late-breaking news on HR, compensation, and benefits'. A featured article is titled 'W.S.A. Insurers Offer Surgery Videos to Promote Better Health Care Consumerism', discussing how health insurers are using live action and animated simulation on their websites to educate consumers. Another article, 'Aon on Disaster Relief', mentions November's PlanSponsor magazine discussing how employers are administering disaster relief provisions of the Katrina Emergency Tax Relief Act (KETRA). The right sidebar contains a 'Select from list' dropdown and a list of 'U.S. News' items, including 'HR/DC Roundup Can Simplify Administrative Burden and More', 'The Value of Auditing Your Long-Term Disability Program', 'Improving Return on Compensation Investment', 'Executive Onboarding: Coaching Precedes', 'Leadership by Encouraging New Leaders' Success', and 'Regulatory Developments'. The bottom of the page shows a taskbar with various application icons and a system clock indicating 9:50 AM.



*Aon Consulting*

## Health Management Overview

Faced with runaway healthcare costs, many employers recognize that future efforts to manage health care costs must involve a more intense focus on "consumerism" and reducing the burden of chronic disease on healthcare costs by integrating health plans and comprehensive, broad-based wellness and disease management initiatives. In this context, the term "consumerism" refers to actively engaging medical plan participants by helping them assume more responsibility for personal health and healthcare purchasing decisions. Our experienced actuaries, clinicians, benefit and communications consultants regularly help clients develop recommendations and formulate a game plan to:

- Identify disease prevalence and costs
- Determine where opportunities exist and appropriate intervention levels
- Develop strategy for plan design, education and employee communications
- Reduce health care and disability costs – as well as indirect plan costs related to productivity, presenteeism and absenteeism
- Evaluate potential return on investment
- Identify/select vendors based on employer needs and objectives
- Negotiate contract and performance guarantees
- Assist with program implementation and communications
- Provide ongoing oversight of vendor performance and program outcomes
- Identify opportunities to improve clinical outcomes
- Establish clear, measurable outcome metrics and performance targets

While discussions vary quite a bit from one client to another, we typically encourage employers to take a holistic approach with their Health Management programs (i.e., wellness, disease management and care management), using a 3-prong approach:

- Know your data, your risk, and your population
  - Prevalence of various disease states
  - Lifestyle risk factors
  - Inventory of current activities and programs
  - Readiness to change
  - Effective motivation techniques
- Develop a comprehensive, well-defined strategy
  - Objectives (short- and long-term)
  - Program criteria (smoking cessation, diabetes, fitness)
  - Financial resources (how much you can spend)
  - Human capital (who is going to do the work)
  - Participation incentives (what's the magic point)

- Program success (how to measure)
- Ability to leverage existing vendors
- Data integration
- Incorporate an intensive communications campaign
  - Advance publicity
  - Find executive sponsors
  - Socialize with key stakeholders
  - Clear and frequent messages

Aon has a significant client base in the area of health management.

### **Measuring the success of wellness and cost containment initiatives**

For more than a decade, ROI studies have been conducted for many industries of varying sizes. While these studies differ in intensity, methodology, design, and depth, virtually every study cites positive results. Because results vary widely from one study to another, it is difficult for employers to use the information to project ROI for HP/DP strategies under consideration.

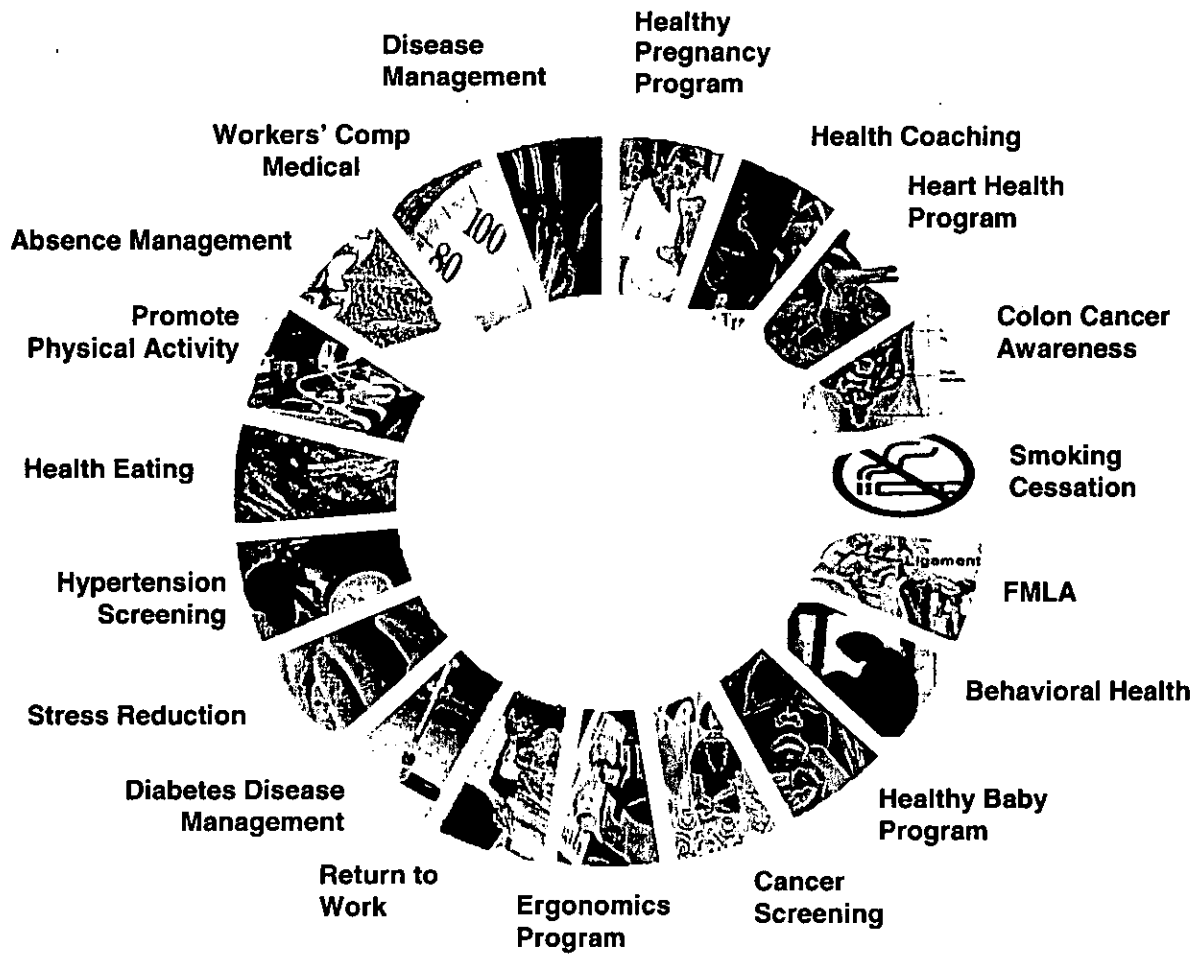
Generally, ROI measures include the following components:

- Financial: claims expense, hospital admissions, ER visits
- Administrative: speed of answer, abandon rate, satisfaction
- Participant Engagement: # identified for programs, # vendor was able to contact, # who agreed to participate
- HRA Results: # who completed HRA, leading risk factors, # receiving outreach
- Clinical (for diabetics): self-reported aspirin use, HgbA1c testing, self monitoring of blood glucose, self-reported beta blocker use for diabetics who have had a myocardial infarction (MI)

When measuring ROI, many companies are moving beyond potential health care cost savings to include the indirect costs associated with disability, absence, productivity, and presenteeism. In fact, because the impact of health promotion/wellness programs can take two to three years to measure, some companies have begun to track success in the form of:

- Changes in lower utilization, such as reduced ER/office visits
- Higher participation rates in HRAs and lifestyle improvement programs
- Aggregate reduction in health risk factors
- Improved participant outcomes such as blood sugar, BMI, cholesterol, blood pressure
- Employee satisfaction, morale, and fewer lost work days

## Health and Productivity Plans and Programs



**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and Members of the City Council

**SUBJECT:** Health and Benefit Consultant Contract

**INITIATED BY:** Finance Department

**AGENDA:** New Business

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**Recommendation:** Approve contract.

**Background:** In 2004, the Health Insurance Advisory Board and the City Council approved using an independent *Health and Benefits Consultant* to assist in the selection process of a health insurance and benefits plan. That contract expired and a new competitive Request for Proposal (RFP) was issued.

The Request for Proposal (RFP) was issued through the City's Purchasing system. The RFP requested the vendor to;

- Review the existing benefit plans and make recommendations for cost-effective improvements;
- Survey and prioritize health care and benefit plan needs;
- Establish strategic goals and objectives for City health care and benefit plans;
- Develop competitive bid specifications for the 2009 City Benefits Plan programs (such as dental, group term life, disability etc.) and determine if these products are still viable and competitive;
- Screen vendors and assist with final recommendations for providers and contract terms;
- Provide a Self-Insurance cost analysis monthly and provide premium equivalents annually;
- Conduct a health and productivity review of Wellness Coaches USA;
- Develop competitive bid specifications for a third Party Administrator (TPA) for the Self-Insured Health Plan for implementation in 2010 and screen vendors and assist with final recommendations for providers and contract terms.

A summary of the Request for Proposal evaluation criteria include:

- The firm has experience and expertise based on past projects to carry out the project;
- The quality of the firm's professional staff assigned to the project is commensurate with project needs;
- The firm has experience with health and benefit plans, particularly as they relate to municipal corporations;
- The firm has experience with evaluating consumer-driven health care plans in general;
- The firm has direct experience in designing, implementing and evaluating Wellness programs.

A bid notice was published in the official newspaper on February 4, 2008, the RFP was placed on the City's e-Procurement web site and notices were mailed to 128 different firms across the United States. A total of 14 written proposals were received.

## **Health and Benefit Consultant Contract**

### **Page 2**

A ten member Screening and Selection Committee was created to review the proposals. The Committee was comprised of representatives from: City Manager's Office; Department of Finance; Human Resources; Department of Law; and the four employee bargaining groups (Employees Council; Fraternal Order of Police; International Association of Firefighters and Service Employees Union). The Screening and Selection Committee also comprised a majority of the members of the Health Insurance Advisory Committee. Members of the Staff Screening and Selection Committee reviewed the Request for Proposal and the proposal responses.

The Screening and Selection Committee reviewed all fourteen written proposals for a new *Health and Benefits Consultant* and independently ranked each proposal based on the ranking criteria listed in the RFP. The top five firms were selected to make detailed presentations to the Screening and Selection Committee. The detailed presentations were held May 2, 2008. Following the detailed presentations, the Screening and Selection Committee independently ranked the presentations and proposals based on the ranking criteria listed in the RFP.

**Analysis:** The Screening and Selection Committee recommends award of the contract to the firm of Aon Consulting, Inc., a New Jersey corporation with an office in Kansas City, Missouri, based on their experience on previous projects, staff expertise, as well as price. Aon Consulting, Inc. submitted the lowest cost fee of the final five firms at \$117,000 per year, guaranteed for four years, and decreasing to \$107,000 in the fifth year. Aon Consulting, Inc. proposed using a team of subject matter experts including a Senior Professional in Human Resources, Certified Employee Benefit Specialists, Member of the American Academy of Actuaries, a Wellness consultant, a Communications consultant and other experts as needed. In addition, Aon Consulting due diligence review indicates the following:

- Aon was selected by the readers of Business Insurance as the "Best Employee Benefit Consulting Firm" in 2006 and 2007;
- Number of Aon Consulting employees worldwide: 6,500;
- Number of countries in which Aon Consulting operates: 98, with the ability to deliver solutions through other Aon offices in an additional 34 countries;
- Aon serves half of the Fortune 500 and over 10,000 clients worldwide;
- Aon annual revenue is \$1.6 billion dollars.

**Legal Considerations:** The contract has been reviewed and approved as to form by the City Attorney's Office.

**Goal Impact:** The employee insurance program is a part of the Internal Perspective goal. The Self-Insured health and prescription drug program, Wellness program and the fully-insured benefit programs are also a part of the City's strategic plan. The plan is to combine employee wellness programs, self-insured health and Rx plans and fully-insured benefit plans to minimize future insurance premium increases for the employee and the City, and improve the long-term health of City employees.

**Financial Considerations:** The contract would be for a not to exceed fee of \$117, 000 per year with four one year options. Costs in year five reduce to \$107,000. Funds are budgeted in the Group Health Insurance Fund to pay for a consultant.

**Recommendation/Action:** It is recommended the City Council approve the contract and authorize the



appropriate signatures.

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council

**SUBJECT:** Mid-Continent Water Reclamation Facility - Budget Adjustment (District IV)

**INITIATED BY:** Water Utilities

**AGENDA:** New Business

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**Recommendation:** Authorize an increase of \$10.4 million to the CIP budget for construction of the Mid-Continent Water Quality Reclamation Facility.

**Background:** The 2000 Sanitary Sewer Master Plan recommended the construction of several satellite sewage treatment facilities. The facilities are to be located throughout the service area and are intended to bring sewage treatment services closer to the point of origin. Because of proximity to a major sewage collection line, one facility was suggested for Southwest Wichita near the Cowskin Creek pump station.

A siting study was conducted to identify possible locations for this facility. More than a dozen sites were reviewed through a public information campaign. Additional reviews and recommendations were made by the Park Board, District Advisory Board IV, and the Wichita Airport Authority. The conclusion was that a site located on airport ground was the most desirable, and the City Council approved that site.

**Analysis:** The original budget for the project was \$23.5 million dollars. This included design and construction services for the plant and pump station upgrade. Separate budgets were established for the construction of sewer mains and land acquisition. Bids for all of the projects through completion totaled \$31.5 million dollars.

The cost increases include the need to construct a facility capable of achieving lower effluent discharge limits than originally expected, cost of construction (materials and labor) and the need to construct on the airport ground. This project originally bid on March 7<sup>th</sup>, 2008. All of the bids received on that day exceeded the Engineer's estimate and thus required, by charter ordinance, the project to be rebid. It is projected that rebid costs will exceed the original bids. All the cost increases described in this paragraph are reflected in the attached cost estimates.

**Financial Considerations:** The Water Utility is requesting an increase in CIP S-546, Mid-Continent Sewage Treatment Plant, of \$10.4 million in addition to the original budget of \$23.5 million. This will result in a total of \$33.9 million and will accommodate all expected costs associated with the project. Documentation is attached itemizing the costs.

**Goal Impact:** The project will ensure efficient infrastructure by assuring adequate infrastructure now and in the City's future.

**Legal Considerations:** There are no legal considerations.

**Recommendations/Actions:** It is recommended that City Council: 1) approve the budget adjustment; and 2) authorize the necessary signatures.

**Attachments:** Detail of costs for the Mid-Continent Water Reclamation Facility.

Item	Original Est.	Bid Costs	Revised Est.
Engineering and Design Fees	\$ 5,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
Plant Construction	\$ 15,000,000.00	\$ 22,000,000.00	\$ 24,000,000.00
Pump Station and Force Main	\$ 3,000,000.00	\$ 4,000,000.00	\$ 4,000,000.00
SCADA	\$ 300,000.00	\$ 1,000,000.00	\$ 1,000,000.00
<b>Total</b>	<b>\$ 23,300,000.00</b>	<b>\$ 32,000,000.00</b>	<b>\$ 34,000,000.00</b>

**Notes:**

1. The cost of both the plant and the pump station are higher than estimated due to the price of materials and labor required to build this type of facility. The plant costs are also higher because of a need to meet regulatory limits that are lower than those for which the plant was originally designed. (The State revised the limits for treatment plants during the design phase of the project.) The other major driver of the cost increases has come from locating the plant on airport property. Special provisions were made throughout the design process to meet FAA regulations and accommodate the development efforts of the Mid-Continent Airport.
2. SCADA is an acronym for the automated system that allows the division to operate facilities remotely and in turn reduce the staffing requirements. This project was designed to upgrade the entire network for the division and standardize the operating system for the Utility. The specifications for this work require a very high caliber integration firm. The cost to perform this part of the project was severely underestimated and the revised numbers are taken from the bid documents.
3. The three columns shown above represent the cost and estimates at three different points during this project. The original estimate column represents the estimates for the project at the beginning of design. The bid costs column represents the prices that were bid for the various sections of this total project. The engineering services and pump station items have been awarded and therefore will not change from the number listed in this column. The third column (Revised Estimates) contains estimates which are believed to represent cost projections which will allow all projects to be completed within the revised budget.

July 8, 2008

**RESOLUTION No. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING  
AN INCREASE IN TAXI CAB FARES**

**WHEREAS**, the City of Wichita, Kansas had adopted Chapter 3.84 of the City Code of Wichita, Kansas, which establishes a licensing and regulatory program for the operation of taxi cabs within the City of Wichita; and

**WHEREAS**, Section 3.84.430 of the City Code requires the City Council to establish by Resolution maximum rates of fare for each form of taxi cab service; and

**WHEREAS**, the governing body of the City of Wichita, Kansas now wishes to revise the maximum rates of fare which have previously been established.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, THAT:**

1. The Resolution adopted by the governing body of the City of Wichita, Kansas, on Dec. 5, 1996, establishing maximum rates of fare for taxi cab operations within the City of Wichita, Kansas is hereby rescinded and replaced by the maximum rates of fare established herein.
2. The maximum fare limitation for the exclusive/group form of service shall be as follows:

Flag drop	\$3.00
Each mile	3.00
Each added passenger	2.00
Children under 12 years old	1.00
Waiting time per minute	.60

3. The maximum fare limitation for package delivery service shall be \$1.00 per pick-up or delivery in addition to meter fare.
4. The maximum limitation for emergency vehicle starting service by taxi cab companies shall be \$20.00 (including Mid-Continent Airport) or \$10.00 in the event of an unsuccessful jump start attempt.

5. The fare structure and maximum rate limitation for shared ride, fixed route and fixed schedule forms of service shall be set by resolution at the time of the award of permits to operate such service by the City Council.

ADOPTED, at Wichita, Kansas, this 8th day of July, 2008.

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Carl Brewer, Mayor

ATTEST:

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Karen Sublett, City Clerk

Approved as to Form:

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Gary E. Rebenstorf, Director of Law

City of Wichita  
City Council Meeting  
July 8, 2008

**To:** Mayor and City Council  
**Subject:** Approval of Resolution to Increase Fares for Taxi Cabs  
**Initiated By:** Wichita Transit  
**Agenda:** New Business

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**Recommendation:** Approve the resolution to increase fares for taxi cabs.

**Background:** Section 3.84.430 of the city code requires that the city council establish by resolution the maximum rates of fares for each form of taxi cab service. The last resolution to increase fares for taxi cabs was passed by the city council in 1996. Setting a maximum rate for cab fares allowed the companies to increase fares gradually over the last 12 years. A public hearing was held on July 7, 2008.

**Analysis:** Due to the increasing cost of gas, the 3 existing cab companies (ABC Taxi Cab Company, American Cab Company, and Best Cabs, Inc.) feel that new fares need to be established. This new resolution is requesting maximum fares, which will gradually go into effect as the price of gas continues to rise. The rates requested by the 3 taxi cab companies are as follows:

<u>Category</u>	<u>Proposed Fares</u>	<u>Old Fares</u>
Flag drop	\$3.00	\$2.00
Each mile	\$3.00	\$2.00
Additional Passenger	\$2.00	\$1.00
Children under the age of 12	\$1.00	\$0.50
Waiting time per minute	\$0.60	\$0.40
Unsuccessful jump start	\$10.00	\$5.00

All other fares remain the same.

**Financial Consideration:** No city funds will be involved if taxi cab fares are increased.

**Goal Impact:** To ensure an efficient infrastructure by maintaining and optimizing public facilities and assets.

**Legal Consideration:** The Law Department has reviewed and approved the resolution as to form.

**Recommendation/Actions:** It is recommended that the city council approve the resolution and authorize the necessary signatures.

**Attachment:** A Resolution Authorizing an Increase in Taxi Cab Fares

**DATE: June 23, 2008**

**CDM SUMMARY**

**COUNCIL DISTRICT # 1**

**ADDRESS: 1314 North Lorraine**

**LEGAL DESCRIPTION: The South 12 1/2 feet of Lot 36 and all of Lot 38, on Lorraine Avenue, in Fairmount Park Addition to Wichita, Sedgwick County, Kansas**

**DESCRIPTION OF STRUCTURE: A one story frame dwelling about 35x38 feet in size. Vacant for an undetermined amount of time, this structure has shifting and cracking concrete block basement walls; rotted and missing asbestos siding; rotted wood trim; and the 10x16 foot accessory is deteriorating.**

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.

B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.

C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

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Superintendent of Central Inspection  
Enforcing Officer

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Date

**DATE: June 23, 2008**

**BCSA GROUP # 3**

**ADDRESS: 1314 North Lorraine**

**ACTIVE FIELD FILE STARTED: October 11, 2006**

**NOTICE(S) ISSUED: Since October 11, 2006 notice of improvement and several violation notices have been issued. Central Inspection received a returned certified letter in January 2008, indicating the owner of the property was deceased.**

**PRE-CONDEMNATION LETTER: January 29, 2008**

**TAX INFORMATION: The 2007 taxes are delinquent in the amount of \$183.84.**

**COST ASSESSMENTS/DATES: None**

**PREMISE CONDITIONS: Tall grass and weeds.**

**VACANT NEGLECTED BUILDING REPORT: None**

**NUISANCE ABATEMENT REPORT: None**

**POLICE REPORT: None**

**FORMAL CONDEMNATION ACTION INITIATED: February 25, 2008**

**RECENT DEVELOPMENTS: No repairs have been made and the structure is secure.**

**OWNER'S PAST CDM HISTORY: None**

**BOARD OF C.S.&A. RECOMMENDATION: At the April 7, 2008 BCSA hearing this property was represented by a letter from one of the heirs to the estate, Milton S. Peters.**

**The deed to the property is currently tied up in probate and has not been released to the heirs. Until Mr. Peters and his brother receive control of the property, they will make certain that the exterior is cleared of debris and will cut the grass. Once they receive the property title, Mr. Peters stated in his letter that he and his brother intend to sell the house.**

**Board Member Coonrod made a motion to allow thirty days for the heirs to obtain the deed and arrange for the sale of the house; if the matter is not resolved in thirty days, the property will be referred to the City Council with a recommendation of condemnation, with ten days to begin the wrecking of the structure and ten days to complete the removal. Board Member Hentzen seconded the motion. The motion was approved.**



**At the May 5, 2008 BCSA hearing, Louis Bush, maintenance contractor for this structure, attended the hearing on behalf of this property.**

**This property was first before the Board on April 7, 2008. At that hearing, the heirs of the estate represented the property by letter. At that time, the Board approved a motion to allow thirty days for the heirs to obtain the deed to the property and arrange for the sale of the house. If the heirs were unable to obtain the deed and sell the property or make repairs, the property would be referred to the City Council with a recommendation of condemnation, with ten days to begin razing the structure and then days to complete the demolition. There has been no contact from the heirs since that time.**

**Mr. Bush said he had not had much contact with the heirs. It was his understanding that the owner(s) planned to paint and repair the structure. At the current time, Mr. Bush said that he thought the heirs were trying to determine who would be in charge of the repairs.**

**It was determined by the Board that since nothing had changed since the April hearing and there had been no further contact from the heirs, the property would go before the City Council with a recommendation of condemnation.**

**STAFF RECOMMENDATION/REMARKS:** Adopt the recommendation of the Board of Code Standards and Appeals. However, any extensions to repairs would be providing that all provisions of City Council Policy 33 are complied with. If any of these conditions are not met, staff is directed to proceed to let for bids to demolish the structure.

**DATE: June 23, 2008**

**CDM SUMMARY**

**COUNCIL DISTRICT # 1**

**ADDRESS: 435 North Piatt**

**LEGAL DESCRIPTION: Lot 15, on Piatt Avenue, Butler and Fisher's Second Addition to the City of Wichita, Sedgwick County, Kansas.**

**DESCRIPTION OF STRUCTURE: A one and one half story frame dwelling about 42x36 feet in size. Vacant for at least 1 year, this structure has a shifting and cracking concrete block foundation; rotted and missing vinyl and wood lap siding; badly worn composition roof, with missing shingles; deteriorating front porch; and the wood trim and framing members are rotted.**

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

- A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.
- B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.
- C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

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Superintendent of Central Inspection  
Enforcing Officer

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Date

**DATE: June 23, 2008**

**BCSA GROUP # 5**

**ADDRESS: 435 North Piatt**

**ACTIVE FIELD FILE STARTED: April 4, 1993**

**NOTICE(S) ISSUED:** Since April 4, 1993, notice of improvements and numerous violation notices have been issued. In 1993 and 2000, some repairs progressed slowly. This property has been associated with gang activity and gang graffiti. There is an open Neighborhood Nuisance Enforcement case and Tall Grass and Weeds case on this property. It has been the subject of Neighborhood court.

**PRE-CONDEMNATION LETTER: August 20, 2007**

**TAX INFORMATION:** The 2005, 2006, and 2007 taxes are delinquent in the amount of \$1692.44.

**COST ASSESSMENTS/DATES: None**

**PREMISE CONDITIONS:** Bulky waste, tall grass and weeds.

**VACANT NEGLECTED BUILDING REPORT: None**

**NUISANCE ABATEMENT REPORT: None**

**POLICE REPORT:** From June 5, 2001 through February 9, 2004, there have been eighteen reported police incidents at this location including suspicious character other (2), auto theft not recovered (2), disorderly conduct other (2), runaway, aggravated assault clubbing, other destruction of property, battery, aggravated robbery from person, miscellaneous officers, other miscellaneous offenses, disturb peace fighting, intimidation, identity theft, auto theft recovered not damaged and larceny b from auto.

**FORMAL CONDEMNATION ACTION INITIATED: February 25, 2008**

**RECENT DEVELOPMENTS:** No repairs have been made and the structure is secure.

**OWNER'S PAST CDM HISTORY: None**

**BOARD OF C.S.&A. RECOMMENDATION:** At the May 5, 2008 BCSA hearing, there was no one present to represent this property.

Board Member Hentzen made a motion to refer the property to the City Council with a recommendation of condemnation, with ten days to begin demolition and ten days to complete razing the structure. Board Member Coonrod seconded the motion. The motion carried.

**STAFF RECOMMENDATION/REMARKS:** Adopt the recommendation of the Board of Code Standards and Appeals. However, any extensions to repairs would be providing that all provisions of City Council Policy 33 are complied with. If any of these conditions are not met, staff is directed to proceed to let for bids to demolish the structure.

**DATE: June 23, 2008**

**CDM SUMMARY**

**COUNCIL DISTRICT # 1**

**ADDRESS: 1006 N. Grove**

**LEGAL DESCRIPTION: Lots 13 and 15, Block 1, Esterbrook Park Addition to Wichita, Sedgwick County, Kansas.**

**DESCRIPTION OF STRUCTURE: A one story frame dwelling about 28x28 feet in size. Vacant and open, this structure has shifting and cracking concrete block basement walls; bent and torn metal siding; sagging and badly worn composition roof; rotted and missing wood trim; and the 12x22 foot accessory structure is deteriorating.**

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

- A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.
- B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.
- C. Those open to unauthorized persons or those permitted to be attractive to loiterers, vagrants, or children.
- D. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

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Superintendent of Central Inspection  
Enforcing Officer

---

Date

**DATE: June 23, 2008**

**BCSA GROUP # 5**

**ADDRESS: 1006 N. Grove**

**ACTIVE FIELD FILE STARTED: July 25, 2005**

**NOTICE(S) ISSUED:** Since July 25, 2005, notice of improvement and numerous violation notices have been issued. Central Inspection staff has completed two emergency board-ups on this property at a cost of \$306.97. There is an active Environmental case on this property.

**PRE-CONDEMNATION LETTER: November 13, 2007**

**TAX INFORMATION: Current**

**COST ASSESSMENTS/DATES:** There is a 2007 special assessment for board-up and weed cutting in the amount of \$265.33 and 2008 special assessment for board-up in the amount of \$173.64.

**PREMISE CONDITIONS:** Scattered debris, tall grass and weeds

**VACANT NEGLECTED BUILDING REPORT: Open case**

**NUISANCE ABATEMENT REPORT:** Weed mowing case on October 13, 2007 in the amount \$114.99.

**POLICE REPORT:** From November 21, 1996 through August 4, 2006 there have been fourteen reported police incidents including unlawful possession of marijuana, attempt to locate person, burglary residence no force night, larceny b from person, disturb peace phone call domestic violence, other destruction of property, other miscellaneous offenses, miscellaneous report, motor vehicle fixed object, other traffic violation hit and run, larceny b from auto, found miscellaneous property, suspicious character other and trespass.

**FORMAL CONDEMNATION ACTION INITIATED: February 25, 2008**

**RECENT DEVELOPMENTS:** No repairs have been made and the structure is secure.

**OWNER'S PAST CDM HISTORY: None**

**BOARD OF C.S.&A. RECOMMENDATION:** At the May 5, 2008 BCSA hearing, there was no one present to represent this property.

**Board Member Harder made a motion to refer the property to the City Council with a recommendation of condemnation, with ten days to begin wrecking the structure and ten**

**days to complete the removal. Board Member Coonrod seconded the motion. The motion passed.**

**STAFF RECOMMENDATION/REMARKS:** Adopt the recommendation of the Board of Code Standards and Appeals. However, any extensions to repairs would be providing that all provisions of City Council Policy 33 are complied with. If any of these conditions are not met, staff is directed to proceed to let for bids to demolish the structure.

**DATE: June 23, 2008**

**CDM SUMMARY**

**COUNCIL DISTRICT # 1**

**ADDRESS: 1338 N. Green**

**LEGAL DESCRIPTION: Lots 18 and 20, on Green Street in Fairmount Park Addition to Wichita, Sedgwick County, Kansas.**

**DESCRIPTION OF STRUCTURE: A one story frame dwelling about 28x27 feet in size. Vacant since 2005, this structure has a shifting and cracking concrete block foundation; rotted and missing lap siding; sagging and badly worn composition roof, with holes; deteriorating front porch; rotted wood trim; and the 12x20 foot accessory structure is dilapidated.**

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

- A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.
- B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.
- C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

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Superintendent of Central Inspection  
Enforcing Officer

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Date



**DATE: June 23, 2008**

**BCSA GROUP # 5**

**ADDRESS: 1338 N. Green**

**ACTIVE FIELD FILE STARTED: September 28, 2005**

**NOTICE(S) ISSUED:** Since September 28, 2005, numerous notice of improvements and violation notices have been issued. There is an active Tall Grass and Weeds case on this property.

**PRE-CONDEMNATION LETTER: March 5, 2008**

**TAX INFORMATION:** The 2007 taxes are delinquent in the amount of \$422.81, which includes specials.

**COST ASSESSMENTS/DATES:** There is a 2007 special assessment for weed cutting in the amount of \$116.50 and a pending special for lot cleanup in the amount of \$1223.38.

**PREMISE CONDITIONS:** Tall grass and weeds

**VACANT NEGLECTED BUILDING REPORT:** Open case

**NUISANCE ABATEMENT REPORT:** Weed mowing case on October 5, 2006 in the amount of \$111.64.

**POLICE REPORT:** From May 20, 1998 through August 7, 2003 there have been three reported police incidents including unlawful possession narcotics, aggravated battery domestic violence and animal bites public.

**FORMAL CONDEMNATION ACTION INITIATED:** February 25, 2008

**RECENT DEVELOPMENTS:** No repairs have been made and the structure is secure.

**OWNER'S PAST CDM HISTORY:** None

**BOARD OF C.S.&A. RECOMMENDATION:** At the May 5, 2008 BCSA hearing, there was no representative present for this property.

Board Member Youle made a motion to refer the property to the City Council with a recommendation of condemnation, with ten days to begin demolition and ten days to complete the demolition. Board Member Willenberg seconded the motion. The motion carried.

**STAFF RECOMMENDATION/REMARKS:** Adopt the recommendation of the Board of Code Standards and Appeals. However, any extensions to repairs would be providing that all provisions of City Council Policy 33 are complied with. If any of these conditions are not met, staff is directed to proceed to let for bids to demolish the structure.

**DATE: June 23, 2008**

**CDM SUMMARY**

**COUNCIL DISTRICT # 1**

**ADDRESS: 916 N. Harding**

**LEGAL DESCRIPTION: Lot 9, Block 3, East Highland North Addition to Wichita, Sedgwick County, Kansas.**

**DESCRIPTION OF STRUCTURE: A one story frame dwelling about 22x35 feet in size. Vacant for at least 2 1/2 years, this structure has a cracking concrete foundation; missing vinyl siding; badly worn composition roof; deteriorating rear porch; and the wood trim is rotted and missing.**

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.

B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.

C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

---

Superintendent of Central Inspection  
Enforcing Officer

---

Date

**DATE: June 23, 2008**

**BCSA GROUP # 5**

**ADDRESS: 916 N. Harding**

**ACTIVE FIELD FILE STARTED: February 7, 2005**

**NOTICE(S) ISSUED: Since February 7, 2005, there have been numerous violation notices issued and Central Inspection staff has completed two emergency board-ups on this property.**

**PRE-CONDEMNATION LETTER: July 10, 2007**

**TAX INFORMATION: The 2003, 2004, 2005, 2006, and 2007 taxes are delinquent in the amount of \$4262.61, which includes specials. It is in foreclosure.**

**COST ASSESSMENTS/DATES: There is a 2007 special assessment in the amount of \$275.81 for weed cutting and board-up.**

**PREMISE CONDITIONS: Bulky waste, tall grass and weeds**

**VACANT NEGLECTED BUILDING REPORT: None**

**NUISANCE ABATEMENT REPORT: Several weed mowing cases as follows: April 6, 2005 in the amount of \$101.64, October 10, 2005 in the amount of \$111.64 and August 28, 2006 in the amount of \$111.64. Lot cleanup on January 23, 2008 in the amount of \$809.65.**

**POLICE REPORT: From February 3, 1994 through July 21, 2004 there have been fourteen reported police incidents including battery (4), other miscellaneous offenses (2), miscellaneous report (2), disorderly conduct other, other weapons violations, miscellaneous report, forcible rape, destruction to auto and intimidation.**

**FORMAL CONDEMNATION ACTION INITIATED: February 25, 2008**

**RECENT DEVELOPMENTS: No repairs have been made and the structure is secure.**

**OWNER'S PAST CDM HISTORY: None**

**BOARD OF C.S.&A. RECOMMENDATION: At the May 5, 2008 BCSA hearing, there was no one in attendance on behalf of this property.**

**Board Member Willenberg made a motion to refer the property to City Council with a recommendation of condemnation, with ten days to begin removal of the structure and ten days to complete the wrecking. Board Member Banuelos seconded the motion. The motion was unanimously approved.**

**STAFF RECOMMENDATION/REMARKS:** Adopt the recommendation of the Board of Code Standards and Appeals. However, any extensions to repairs would be providing that all provisions of City Council Policy 33 are complied with. If any of these conditions are not met, staff is directed to proceed to let for bids to demolish the structure.

**DATE: June 23, 2008**

**CDM SUMMARY**

**COUNCIL DISTRICT # 2**

**ADDRESS: 14621 E. Sport of Kings**

**LEGAL DESCRIPTION: Lot 9, Block 4, Savanna at Castle Rock Ranch 5th Addition to Sedgwick County, Kansas.**

**DESCRIPTION OF STRUCTURE: A one story frame dwelling about 58x54 feet in size. Vacant for an unknown amount of time, this structure has shifting concrete basement walls; fire damaged masonite lap siding; fire damaged roof, with holes; deteriorating rear porch; and the wood trim, fascia, and soffits are fire damaged.**

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.

B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.

C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

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Superintendent of Central Inspection  
Enforcing Officer

---

Date

**DATE: June 23, 2008**

**BCSA GROUP # 5**

**ADDRESS: 14621 E. Sport of Kings**

**ACTIVE FIELD FILE STARTED: November 28, 2007**

**NOTICE(S) ISSUED:** Since November 28, 2007, there has been a notice of improvement issued. On February 22, 2007, Sedgwick County Fire Department responded to a fire at this location. Fire Marshall Tim Millspaugh advised that it was arson and charges were filed resulting in two convictions. On October 25, 2007, this property was annexed into the City of Wichita. Central Inspection was made aware of this property on November 28, 2007. It should be noted that Central Inspection staff has received numerous inquiries and complaints regarding this property.

**PRE-CONDEMNATION LETTER: November 28, 2007**

**TAX INFORMATION: Current**

**COST ASSESSMENTS/DATES: Current**

**PREMISE CONDITIONS: Construction debris in driveway and tall grass and weeds.**

**VACANT NEGLECTED BUILDING REPORT: Open case**

**NUISANCE ABATEMENT REPORT: None**

**POLICE REPORT: None**

**FORMAL CONDEMNATION ACTION INITIATED: February 25, 2008**

**RECENT DEVELOPMENTS: No repairs have been made and the structure is secure.**

**OWNER'S PAST CDM HISTORY: None**

**BOARD OF C.S.&A. RECOMMENDATION:** At the May 5, 2008 BCSA hearing, the owner of the property, David Rathbone, was present at the hearing. Several concerned neighbors were also in attendance.

The active file was initiated on this property in November 2007 due to fire damage that occurred in February of 2007. The property was annexed into the City of Wichita in October 2007. The taxes are current; there is a 2007 special assessment in the amount of \$3,917.77 for sewer improvement, street improvement, a lot clean up and water lines. There is also a 2008 special assessment in the amount of \$2484.35 for sewer improvement and street improvement. There is some debris in the driveway. There is an active

**Neglected Building case on this property. No repairs have been made; however, the structure is secure.**

**Mr. Rathbone told the Board that he thought an agreement had finally been reached with the insurance company and the mortgage company. It was his hope to have the matter settled within sixty days, and that he would be able to have the structure demolished and then sell the lot. Mr. Rathbone said that he had enlisted the aid of an attorney to help resolve the remaining issues with the mortgage and insurance companies.**

**Nick Howell, a resident of a neighboring property, addressed the Board with his concerns. A large dumpster was left sitting on the site, and trash would often blow out of the dumpster. The deck was removed from the house some time ago and has been sitting in the driveway. Three years prior to the fire, there had been on-going issues with the property.**

**Pete Mietzner, a resident of a neighboring property, told the Board of vermin problems resulting from the condition of the property. Mr. Mietzner said that the structure was also an attractive nuisance to children. Mr. Mietzner said he had concerns about disease that might be caused by the vermin. He said that as a member of the homeowners' association, he also had concerns about the financial liability that might be incurred by the association if someone should be injured or become ill because of the vermin.**

**Mr. Rathbone explained that he had been banned from the site during the arson investigation and during the legal proceedings that followed.**

**Board Member Harder made a motion to send the property to the City Council with a recommendation of condemnation, with ten days to begin demolition and ten days to complete demolition. Board Member Willenberg seconded the motion. Chairman Murabito requested that Ms. Legge explain the procedure involved in sending the property to the City Council.**

**Miley Craft, a resident of a neighboring property, voiced her concern about recurring vandalism on the property.**

**Another neighbor, who declined to identify himself, expressed concern about the basement of the structure being full of water. He said that the water caused mold growth and encouraged the breeding of mosquitoes.**

**Mr. Rathbone said that he would arrange to have the water pumped out of the basement.**

**Chairman Murabito requested that the Board vote on the motion. The motion carried.**

**STAFF RECOMMENDATION/REMARKS:** Adopt the recommendation of the Board of Code Standards and Appeals. However, any extensions to repairs would be providing that all provisions of City Council Policy 33 are complied with. If any of these conditions are not met, staff is directed to proceed to let for bids to demolish the structure.



**DATE: June 23, 2008**

**CDM SUMMARY**

**COUNCIL DISTRICT # 3**

**ADDRESS: 4338 E. Wilma**

**LEGAL DESCRIPTION: Lot 18, Block F, in Hilltop Manor, a replat of parts of Hilltop Manor and Hilltop Manor Second Addition, being a Subdivision of Section 26, Township 27 South, Range 1 East of the Sixth Principal Meridian, in Sedgwick County, Kansas; except that part described as beginning at a point at the Southeast corner of Lot 18, Block F, thence north 100 feet, thence northwest along the Northerly line of Lot 18, 45.4 feet, thence southerly 85.24 feet to a point on the Southerly line of Lot 18, said point being 72.15 feet Northwest of the Southeast corner of Lot 18, thence southeast 72.15 feet to the place of beginning.**

**DESCRIPTION OF STRUCTURE: A one story frame dwelling about 57x24 feet in size. Vacant for at least 11 months, this structure has a shifting and sinking block foundation; broken, missing and fire damaged asbestos siding; sagging composition roof, with holes and missing shingles; and the wood trim is rotted.**

Description of dangerous or unsafe condition(s): The property is found to be dangerous and unsafe because of the following conditions:

A. Those, which have been damaged by fire, wind, want of repair, or other causes so as to have become dangerous to life, safety, morals or the general health and welfare of the occupants or the people of the city.

B. The structure fails to provide the necessities to decent living, which makes it, unfit for human habitation.

C. Those whose use, equipment or want of good housekeeping constitutes a decided fire or safety hazard to the property itself or its occupants or which presents a decided fire or safety hazards to surrounding property or a menace to the public safety and general welfare.

City Ordinance states that any one of the above categories is just cause to declare the building a public nuisance and shall be repaired or demolished.

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Superintendent of Central Inspection  
Enforcing Officer

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Date

**DATE: June 23, 2008**

**BCSA GROUP # 5**

**ADDRESS: 4338 E. Wilma**

**ACTIVE FIELD FILE STARTED: July 24, 2007**

**NOTICE(S) ISSUED:** Since July 24, 2007, there has been a notice of improvement and violation notice issued. Central Inspection staff has completed an emergency board-up on this property at a cost of \$992.58.

**PRE-CONDEMNATION LETTER: January 24, 2008**

**TAX INFORMATION:** The 2004, 2005, 2006, and 2007 taxes are delinquent in the amount of \$918.99.

**COST ASSESSMENTS/DATES:** There is a 2008 special assessment for board-up in the amount of \$1029.78.

**PREMISE CONDITIONS:** Scattered debris, tall grass and weeds

**VACANT NEGLECTED BUILDING REPORT: None**

**NUISANCE ABATEMENT REPORT: None**

**POLICE REPORT:** From March 29, 2001 through April 6, 2005 there have been four (4) reported police incidents including destruction to auto, miscellaneous report, arson aggravated and murder non-negligent manslaughter domestic violence.

**FORMAL CONDEMNATION ACTION INITIATED: February 25, 2008**

**RECENT DEVELOPMENTS:** No repairs have been made and the structure is secure.

**OWNER'S PAST CDM HISTORY: None**

**BOARD OF C.S.&A. RECOMMENDATION:** At the May 5, 2008 BCSA hearing, no one was present to represent this property.

Board Member Coonrod made a motion to refer the property to City Council with a recommendation of condemnation, with ten days to begin demolition and ten days to complete the demolition. Board Member Harder seconded the motion. The motion was approved.

**STAFF RECOMMENDATION/REMARKS:** Adopt the recommendation of the Board of Code Standards and Appeals. However, any extensions to repairs would be providing that all provisions of City Council Policy 33 are complied with. If any of these conditions are not met, staff is directed to proceed to let for bids to demolish the structure.

**July 8, 2008**  
**City Council Hearing**  
**Removal of Dangerous Structures Case Summary**

Address	Cncl. Dist.	Hsng. Case Age	CLEAN Team Invlvmnt?	Cndm. Init. Date	BCSA Hrng. Date	Owner/ Rep. at BCSA ?	BCSA Recomm.	Open or Secure	Premise Cond. Status	Prop. Tax Status	Board-up & Clean-up Assmnts.
1314 N. Lorraine	I	1 yr. 8 mos.	No	02/25/08	04/07/08 05/05/08	Yes Yes	30 Days 10/10	Secure	Tall grass and weeds	The 2007 taxes are delinquent in the amount of \$183.84.	None
435 N. Piatt	I	15 yrs. 3 mos.	No	02/25/08	05/05/08	No	10/10	Secure	Bulky waste, tall grass and weeds.	The 2005, 2006, and 2007 taxes are delinquent in the amount of \$1692.44.	None
1006 N. Grove	I	2 yrs. 11 mos.	No	02/25/08	05/05/08	No	10/10	Secure	Scattered debris, tall grass and weeds	Current	There is a 2007 special assessment for board-up and weed cutting in the amount of \$265.33 and 2008 special assessment for board-up in the amount of \$173.64.
1338 N. Green	I	2 yrs. 9 mos.	No	02/25/08	05/05/08	No	10/10	Secure	Tall grass and weeds	The 2007 taxes are delinquent in the amount of \$422.81, which includes specials.	There is a 2007 special assessment for weed cutting in the amount of \$116.50 and a pending special for lot cleanup in the amount of \$1223.38.
916 N. Harding	I	3 yrs. 5 mos.	No	02/25/08	05/05/08	No	10/10	Secure	Bulky waste, tall grass and weeds.	The 2003, 2004, 2005, 2006, and 2007 taxes are delinquent in the amount of \$4262.61, which includes specials. It is in foreclosure.	There is a 2007 special assessment in the amount of \$275.81 for weed cutting and board-up.

**July 8, 2008**  
**City Council Hearing**  
**Removal of Dangerous Structures Case Summary**

Address	Cncl. Dist.	Hsng. Case Age	CLEAN Team Invlvmnt?	Cndm. Init. Date	BCSA Hrng. Date	Owner/ Rep. at BCSA ?	BCSA Recomm.	Open or Secure	Premise Cond. Status	Prop. Tax Status	Board-up & Clean-up Assmnts.
14621 E. Sport of Kings	2	7 mos.	No	02/25/08	05/05/08	Yes	10/10	Secure	Construction debris in driveway and tall grass and weeds.	Current	Current
4338 E. Wilma	3	11 mos.	No	02/25/08	05/05/08	No	10/10	Secure	Scattered debris, tall grass and weeds	The 2004, 2005, 2006, and 2007 taxes are delinquent in the amount of \$918.99.	There is a 2008 special assessment for board-up in the amount of \$1029.78.

City of Wichita  
City Council Meeting  
July 8, 2008

**TO:** Mayor and City Council

**SUBJECT:** Repair or Removal of Dangerous & Unsafe Structure  
(District I, II and III)

**INITIATED BY:** Office of Central Inspection

**AGENDA:** New Business

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**Recommendations:** Adopt the resolution.

**Background:** On May 20, 2008, a report was submitted with respect to the dangerous and unsafe conditions on the properties below. The Council adopted a resolution providing for a public hearing to be held on these condemnation actions at 9:30 a.m. or as soon thereafter, on July 8, 2008.

**Analysis:** On May 5, 2008 the Board of Code Standards and Appeals (BCSA) held a hearing on the seven (7) properties listed below:

<b><u>Property Address</u></b>	<b><u>Council District</u></b>
a. 1314 North Lorraine	I
b. 435 North Piatt	I
c. 1006 North Grove	I
d. 1338 North Green	I
e. 916 North Harding	I
f. 14621 East Sport of Kings	II
g. 4338 East Wilma	III

Detailed information/analysis concerning this property is included in the attachments.

**Financial Considerations:** Structures condemned as dangerous buildings are demolished with funds from the Office of Central Inspection Special Revenue Fund contractual services budget, as approved annually by the City Council. This budget is supplemented by an annual allocation of federal Community Development Block Grant funds for demolition of structures located within the designated Neighborhood Reinvestment Area. Expenditures for dangerous building condemnation and demolition activities are tracked to ensure that City Council Resolution No. R-95-560, which limits OCI expenditures for non-revenue producing condemnation and housing code enforcement activities to 20% of OCI's total annual budgeted Special Revenue Fund expenditures, is followed. Owners of condemned structures demolished by the City are billed for the contractual costs of demolition, plus an additional \$500 administrative fee. If the property owner fails to pay, these charges are recorded as a special property tax assessment against the property, which may be collected upon subsequent sale or transfer of the property.

**Goal Impact:** On January 24, 2006 the City Council adopted five (5) goals for the City of Wichita. These include: Provide a Safe and Secure Community, Promote Economic Vitality and Affordable Living, Ensure Efficient Infrastructure, Enhance Quality of Life, and Support a Dynamic Core Area & Vibrant Neighborhoods. This agenda item impacts the goal indicator to Support a Dynamic Core Area and Vibrant Neighborhoods: Dangerous building condemnation actions, including demolitions, remove blighting and unsafe buildings that are detrimental to Wichita neighborhoods.

**Legal Considerations:** Pursuant to State Statute, the Resolutions were duly published twice on May 23, 2008 and May 30, 2008. A copy of each resolution was sent by certified mail or given personal service delivery to the owners and lien holders of record of the described property.

**Recommendations/Actions:** It is recommended that the City Council close the public hearing, adopt the resolutions declaring the buildings to be dangerous and unsafe structures, and accept the BCSA recommended actions to proceed with condemnation, allowing 10 days to start demolition and 10 days to complete removal of the structures. Any extensions of time granted to repair any structures would be contingent on the following: (1) All taxes have been paid to date, as of July 8, 2008; (2) the structures have been secured as of July 8, 2008 and will continue to be kept secured; and (3) the premises are mowed and free of debris as of July 8, 2008, and will be so maintained during renovation.

If any of the above conditions are not met, the Office of Central Inspection will proceed with demolition action and also instruct the City Clerk to have the resolutions published once in the official city paper and advise the owner of these findings.

**Attachments:** Case Summary, Summary, and Follow-Up History.

## EXCERPT OF THE JUNE 5, 2008, MAPC HEARING

**Case No.: ZON2008-10** (Deferred from April 10, 2008 MAPC Hearing) - David Lowry (owner), Christian Ablah (applicant), Poe & Associates, Attn: Tim Austin (agent) Request City zone change from "B" Multi family and "MF 29" Multi family to "LC" Limited commercial on property described as;

Lot 1 & N 33.51 feet of Lot 3, Block 2, East Boulevard Addition, Sedgwick County, Kansas.

AND

The South 16.49 feet of Lot 3 and all of Lot 5 & N 8.51 feet of Lot 7, Block 2, East Boulevard Addition, Sedgwick County, Kansas. Generally located 454 North Bleckley and 446 North Bleckley.

**BACKGROUND:** The applicant is requesting a zone change from B Multi-family Residential ("B") (Lots 1, 3 and the north 40.51 feet of Lot 5) and MF-29 Multi-family Residential ("MF-29") (the south 9.49 feet of Lot 5 and the north 8.51 feet of Lot 7) to the LC Limited Commercial ("LC") district. The application area contains approximately 0.4-acres with 128 feet of frontage located along Central Avenue, one block east of Oliver. These lots are developed with two four-plexes, one on each lot, built in the early 1940's, with what appears to be less than five off-street parking spaces serving eight dwelling units. The applicant proposes the rezoning to allow for the highest and best use to allow commercial development.

The majority of residential development in this area is located between Bleckley Drive (west) and Pinecrest Avenue (east), along the south side of Central Avenue. This development consists of four-plexes, duplexes and single-family residences zoned B or MF-29. Most of these multi-family structures appear to have been built in the early 1940's.

Property south of the subject site is zoned MF-29, and is developed with a four-plex, also built in the early 1940s. Property east of the site is zoned B and developed with single-family residences. Property north of the subject site, across Central Avenue, is zoned LC, and is developed with a fast food restaurant. West of the subject site, across Bleckley Drive, the property is zoned LC, and is developed with a retail strip center.

The subject site is located in flood zone AE. The AE flood zone is a flood insurance rate zone that corresponds to the 100-year floodplain that is determined in the Flood Insurance Study by detailed methods. Mandatory flood insurance purchase requirements apply. The waterway that flows through this area, the West Branch Dry Creek of Gypsum Creek, begins just north of Claude Lambe Park and travels south through the LW Clapp Golf Course before joining Gypsum Creek southeast of Hillside and Pawnee.

**CASE HISTORY:** This site is platted as the East Boulevard Addition, approved in 1930. There was an attempt to rezone this property in 1990-91 (Z-3010) to LC but the City Council denied that request and forwarded the request back to the Metropolitan Area Planning Commission (MAPC) for consideration of OC Office Commercial ("OC") zoning (converted in 1996 to the NR Neighborhood Retail ("NR") district). Office Commercial zoning was approved by the MAPC, and returned to the City Council which approved the OC zoning subject to replatting within one year. The property was never replatted during the one year time span, and was allowed to lapse by the applicant. The rezone never took effect due to the property not being replatted.

### **ADJACENT ZONING AND LAND USE:**

NORTH:	LC Limited Commercial	Fast Food Restaurant
SOUTH:	MF-29 Multi-family Residential	Four-plex
EAST:	B Multi-family Residential	Single-family Residential
	TF-3 Two-family Residential	Duplex
WEST:	LC Limited Commercial	Retail Strip Store

**PUBLIC SERVICES:** All public services are available at the subject site. Central Avenue is a four-lane principal arterial with 40,801 Average Daily Traffic (ADTs). Nearby, Oliver Avenue is a four-lane minor arterial with 31,853 ADTs. Bleckley Drive is a local residential street, but is not classified on the Federal Roadway Functional Roadway



Map. The intersection of Central and Bleckley is not signalized. The subject site currently has access drives on to both Central and Bleckley.

**CONFORMANCE TO PLANS/POLICIES:** The “2030 Wichita Functional Land Use Guide” depicts this site as “Urban Residential.” This category encompasses areas that reflect the full diversity of residential development densities and types typically found in a large urban municipality. The Functional Land Use Guide shows the south side of Central, from Bleckley to Pinecrest, to retain the existing residential zoning classification. From Pinecrest to Edgemoor, the guide favors LC zoning or rezoning requests. Zoning and rezoning requests for LC or GO General Office (“GO”) are favored on the north side of Central from Oliver to Edgemoor. The commercial location guidelines indicate the stripping out of commercial zoning along arterial streets is undesirable. Also the location guidelines state that commercial uses should locate in compact clusters or nodes versus extended strip developments, commercially-generated traffic should not feed directly onto local residential streets and commercial uses that are not located in planned centers or nodes (including large free-standing buildings, auto-related and non-retail uses) should be guided to other appropriate areas such as: the CBD fringe; segments of Kellogg; established areas of similar development; and, areas where traffic patterns, surrounding land uses and utilities can support such development.

**RECOMMENDATION:** The application area is small for most modern LC uses. To encourage the redevelopment of this site with land uses which will maintain a degree of compatibility with the residential land uses to the south and east, and to establish a new zoning classification on the property that is more in line with the commercial and office land uses to the west and north, and which recognizes the fact that this site fronts onto a arterial street, staff recommends that the request for LC not be approved, but instead staff recommends that the property be zoned NR. Neighborhood Retail zoning would establish a transition area between the existing non-residential uses in the area and the neighborhood to the south and east because the NR districts limits individual retail uses to a maximum size of 8,000 square feet; restaurants are limited to a maximum size of 2,000 square feet and drive-through service is prohibited. Other development standards also apply to the NR district, but the NR district would provide for land uses which typically produce fewer vehicular trips than would be generated by LC land uses. Based upon information available prior to the public hearings, planning staff recommends that the request for LC Limited Commercial zoning be **DENIED**, however, if the Planning Commission feels the request is appropriate, staff would recommend **APPROVAL** of NR Neighborhood Retail zoning, subject to replatting within one year, and dedication of complete access control along Bleckley Drive, and dedication of access control except for one opening along Central Avenue.

This recommendation is based on the following findings:

1. **The zoning, uses and character of the neighborhood:** Property south of the site is zoned MF-29. The MF-29 property is developed with a four-plex, built in the early 1940s. Property west of the site is zoned B, and developed with single-family residences. Property north of the subject site, across Central Avenue, is zoned LC, and is developed with a fast food restaurant. East of the subject site, across Bleckley Drive, the property is zoned LC, and is developed retail strip store.
2. **The suitability of the subject property for the uses to which it has been restricted:** The site is zoned B and MF-29. The B district permits a reasonably lengthy list of permitted uses including a variety residential uses and medical services. The site could probably be adapted to uses currently allowed. The site contains .4 acre, which is a small area for most current day retail uses.
3. **Extent to which removal of the restrictions will detrimentally affect nearby property:** Approval of LC zoning would introduce some uses not in character with adjacent existing residential uses. Commercial uses generate more average daily traffic; introduce larger signage and more lighting than is found in typical residential areas. Approval could encourage other property owners seek similar zoning up and down Central Avenue that could impact Central Avenue’s ability to carry the traffic it was designed to carry.
4. **Relative gain to the public health, safety and welfare as compared to the loss in value or the hardship imposed upon the applicant:** If approved, presumably this request would generate more economic return for the applicants than leaving the site as currently zoned. From the public’s standpoint, approval of this request would be a case of encroachment of commercial zoning into an established neighborhood and would not be consistent

with the community's adopted plan that encourages the use of zoning as one of the tools to promote and enhance neighborhood stability and investment.

5. Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies: The "2030 Wichita Functional Land Use Guide" depicts this site as "Urban Residential." This category encompasses areas that reflect the full diversity of residential development densities and types typically found in a large urban municipality. The Functional Land Use Guide shows the south side of Central, from Bleckley to Pinecrest, to retain the existing residential zoning classification. From Pinecrest to Edgemoor, the guide favors LC zoning or rezoning requests. Zoning and rezoning requests for LC or GO General Office are favored on the north side of Central from Oliver to Edgemoor. The commercial location guidelines indicate the stripping out of commercial zoning along arterial streets is undesirable. Also the location guidelines state that commercial uses should locate in compact clusters or nodes versus extended strip developments, commercially-generated traffic should not feed directly onto local residential streets and commercial uses that are not located in planned centers or nodes (including large free-standing buildings, auto-related and non-retail uses) should be guided to other appropriate areas such as: the CBD fringe; segments of Kellogg; established areas of similar development; and, areas where traffic patterns, surrounding land uses and utilities can support such development. The Wichita City Council found that OC zoning or its current equivalent of NR zoning was appropriate in 1990.
6. Impact of the proposed development on community facilities: All services are in place, and any increased demand on community facilities can be handled by current infrastructure.

**DERRICK SLOCUM**, Planning Staff presented the Staff Report.

**MILLER** explained that staff received a call from the developer **CHRISTIAN ABLAH** late yesterday afternoon wherein he provided additional information relative to the application that staff did not have until that time. He said **ABLAH** mentioned requesting a deferral; however, staff pointed out that the item had already been deferred once and suggested that the applicant go ahead and make a case for their request with the understanding that staff would do whatever "tweaking" of the recommendation was necessary during the meeting. He said essentially what staff has tried to do is make a recommendation that is similar to recommendations on other properties in this same situation. He said staff has removed the supplemental use requirements limiting the property to 2,000 square feet; however, it was too late to change the Staff Report.

**FOSTER** asked about the issue of the drainage canal on the east side of the property and asked if there was any new information related to that?

**SLOCUM** replied that the applicant would be able to answer that.

**TIM AUSTIN, POE & ASSOCIATES, AGENT FOR THE APPLICANT**, said the nature of the phone call to Planning staff was to re-emphasize the plan of assembling properties and redeveloping the east side of Kellogg and Oliver. He showed photographs of the remodeled Oliver Square including Papa John's and Sugar Sisters. He said the applicant is interested in doing a larger development in the area and that fits in with LC zoning on both the northeast and southeast corners. He said the flood study was currently in progress, but it is not completed. He said he surveyed the finished floors on the existing building to see how they related to the published FEMA Flood Map and that it was 1363.72 as compared to the 1363 base flood elevation. He said because of the complicated nature of the drainage, the flood study has not been completed yet. He said there is a tremendous amount of LC zoning from Oliver to Edgemoor on both sides of the street with a mixture of multi-family and NR, and they feel this request is consistent with past policies. He said the drainage canal to the east is 40-foot wide. He said the applicant is not interested in deferring the application. He concluded by stating that the property owner was present to support the application.

**MITCHELL** clarified that floor elevation was above the base flood elevation, even though the property is partly mapped in the flood plain. He also clarified that the flood study was currently under way.

**AUSTIN** said that was correct.

**MITCHELL** asked about the City's Capital Improvement Program (CIP) to make improvements in the area?

**AUSTIN** said the City does have an item, he believes in the 2015 CIP Budget, but he thinks it is inadequately funded. He said Engineering staff has indicated they would like a further study with an aerial flight and ultimately extend the box from Kellogg north.

**MITCHELL** asked if the applicant was agreeable to the requirement of platting within one year.

**AUSTIN** said they didn't feel like platting was necessary since the lots are already platted and he recalled from the last discussion on this item that requirement would be waived. He added that they are agreeable to the access limitations.

**MITCHELL** said that leaves open the question of whether there is enough space and elevation available for the City's proposed CIP to go between these two properties and no way to make sure that is accomplished through platting.

**AUSTIN** said until a program is identified and designed, they feel it is inappropriate to impede an owner who has a property that can be developed.

**MITCHELL** said he thought that was one of the items **AUSTIN** agreed to try to resolve before the case was rescheduled.

**AUSTIN** said he believed the issue was the flood study because the flood way for the FEMA map stops at 1<sup>st</sup> Street and picks up further north at Murdock or 9<sup>th</sup> Street. He said the applicant has been talking with the City about a redevelopment district and the flood study will help the applicant finalize what land is actually buildable, footprints of buildings, and what land would be flood plain and flood way.

**MCKAY** asked why the applicant did not want to replat.

**AUSTIN** responded that the area was already platted. He said generally the purpose of replatting is to bring property into compliance with subdivision regulation or City's needs. He said they don't see any needs that have been defined.

**MCKAY** commented that he did not think the restrictions on B Multi-family and LC Limited Commercial are the same.

**HENTZEN** asked staff why they were asking for a replat.

**MILLER** said staff felt that was the easiest way to address drainage issues and access controls. He said residential zoning doesn't typically have access controls. He said if the Commission feels it is more appropriate, an alternative would be that no building permits be issued until a full drainage study has been reviewed and approved and access controls approved by the City Traffic Engineer, in lieu of platting.

**FOSTER** said he feels this project is important in terms of inner city revitalization and promoting inner city neighborhoods so he thinks the Commission needs to look at all means of making it happen. He asked if a Protective Overlay (PO) of the LC Limited Commercial zoning would be appropriate and what would staff like to see in the PO to make the project possible.

**MILLER** commented that the primary difference between LC and NR is that fewer uses are allowed in the NR but general retail is permitted. He said NR limits restaurants and building services and eliminates "drive through" services. In addition, he said buildings can't be larger than 2,000 square feet and the other primary difference is no individual retail can exceed 8,000 square feet. He said the reason for recommending NR versus LC was to protect the residential character on the east and south of the property. He said it is hard to buffer LC on such a small site that close to residential uses. He commented that staff is also supportive of in-fill projects.

**MARNELL** commented that he didn't recall seeing replatting coming through before as a recommendation and added that the Commissioner has changed a lot of zoning from one level to another.

**MILLER** reiterated what he had said earlier about dealing with the drainage issues and access control and said platting was one way to take care of those items. He said the Commission could require the applicant to submit a drainage plan and access control as separate instruments prior to the issuance of building permits.

**MARNELL** referred to the recommendation in the Staff Report stating that there already was complete access control along Bleckley and dedication of access control except one opening along Central. He asked if that was not part of the zone change.

**MILLER** said that language is inserted to warn the applicant that is what will be expected at platting so that will not be a surprise.

**MARNELL** asked if that could be done at these proceedings if the zone change was approved.

**MILLER** responded yes, that was the other way to take care of the issues.

**HENTZEN** asked the agent if the applicant would agree to the alternative approach recommended by staff.

**AUSTIN** said yes, and added that he believed staff withdrew the request for the replat requirement and they have previously agreed to dedication of the access controls

**JOHNSON** inquired if anyone else wished to speak on this item.

**MARNELL** asked about the drainage study.

**AUSTIN** said the requirement that no building permits would be issued until the drainage study is completed and approved will become an issue when they pull the building permits. He said they can file a letter of map amendment and still obtain a building permit, so they do not want that to be a condition of the proposed zoning change. He said the only condition that is necessary is the dedication of access controls.

**HILLMAN** clarified then they are not planning on waiting until the flood control process is completed by the City before they develop the property?

**AUSTIN** said that process is at least ten years out, and not scheduled until 2015.

**MITCHELL** said the alternative to the City's approval of a new flood study was a drainage plan approved by Storm Water Engineering prior to obtaining building permits.

**AUSTIN** responded yes.

**KATHY ARRINGTON, PO BOX 471 N NEWTON, KS 67117**, said she was the property owner's (Ralph and Rosemary Lowry) daughter and said she was present to express that they are in favor of this rezoning request. She said her parents have had a contract pending since December, 2007 and that this delay has caused them financial distress. She said their issue was whether to fix the properties to rent, or wait to see what Mr. Ablah was able to do. She said they are in favor of the zoning, and quite frankly wanted to be rid of the properties. On behalf of her parents, she requested that the Commission approve the zoning.

**STEPHANIE MAYES, 601 STONE CREEK DRIVE, NEWTON, KS 67114**, said she was with Coldwell Bankers and that they have been marketing the property for close to a year. She said they have avoided selling to persons in the community renting other properties and commonly known as "slum lords". She said Mr. Ablah's proposal was a good opportunity for the community and this area. She concluded by saying that this is a forgotten area and that Mr. Ablah has already cleaned up the corners and was working on putting something together. She said they support the application.

**MOTION:** To approve for LC zoning subject to staff 's alternative recommendation which was to submit a drainage plan and dedication of access controls per the City Traffic Engineer prior to the issuance of any building permits.

**HENTZEN** moved, **MCKAY** seconded the motion, and it carried (9-1). **MILLER STEVENS** – No.

**HENTZEN** said he felt this was a reasonable request and that it appears the drainage issue has been agreed to by staff and the applicant. He added that he didn't know what the applicant could do that would affect drainage in this area.

**FOSTER** said he would like restrictions on restaurants and industrial uses looked at as well and asked if a PO could be added to the case as part of the motion.

**HENTZEN** said no, he wasn't willing to change his motion.

**SUBSTITUTE MOTION:** To approve for LC zoning subject to staff's alternative recommendation which was to submit a drainage plan and dedication of access controls per the City Traffic Engineer prior to the issuance of any building permits, and that Staff would craft a PO of uses.

**DIRECTOR SCHLEGEL** asked **FOSTER** what use restrictions he was talking about so staff could have some guidelines.

**FOSTER** said size of spaces, drainage issues, and he would like to limit practicality of some uses.

The substitute motion died due to lack of a second.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

BE IT ORDAINED BY THE GOVERNING BODY  
OF THE CITY OF WICHITA, KANSAS.

**SECTION 1.** That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

**Case No. ZON2008-00010**

Zone change from B Multi-family Residential ("B") and MF-29 Multi-family Residential ("MF-29") to LC Limited Commercial ("LC") subject to Protective Overlay #212 on property described as:

Lot 1 & N 33.51 feet of Lot 3, Block 2, East Boulevard Addition, Wichita, Sedgwick County, Kansas.

AND

The South 16.49 feet of Lot 3 and all of Lot 5 & N 8.51 feet of Lot 7, Block 2, East Boulevard Addition, Wichita, Sedgwick County, Kansas. Generally located approximately 400-feet south and east of the intersection of Central and Oliver (454 and 446 North Bleckley Dr.)

**SUBJECT TO THE FOLLOWING PROVISIONS OF PROTECTIVE OVERLAY DISTRICT #212:**

1. Submission and approval of a drainage plan prior to issuance of any building permits.
2. Dedication of complete access control along Bleckley Drive, and dedication of access control except for one opening along Central Avenue.

**SECTION 2.** That upon the taking effect of this ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita -Sedgwick County Unified Zoning Code as amended.

**SECTION 3.** That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

**ADOPTED AT WICHITA, KANSAS,** \_\_\_\_\_

\_\_\_\_\_  
Carl Brewer - Mayor

**ATTEST:**

\_\_\_\_\_  
Karen Sublett, City Clerk

(SEAL)

Approved as to form:

\_\_\_\_\_  
Gary E. Rebenstorf, City Attorney

**City of Wichita**  
**City Council Meeting**  
July 8, 2008

**TO:** Mayor and City Council

**SUBJECT:** ZON2008-00010 – Zone change from B Multi-family Residential (“B”) and MF-29 Multi-family Residential (“MF-29”) to LC Limited Commercial (“LC”). Generally located approximately 400-feet south and east of the intersection of Central and Oliver (454 and 446 North Bleckley Dr.) (District II)

**INITIATED BY:** Metropolitan Area Planning Department

**AGENDA:** Planning (Non-Consent)

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**DAB II Recommendation:** (April 9, 2008) Defer until comprehensive flood study has been completed, vote 7-0.

**MAPC Recommendation:** (April 10, 2008) Deferred until flood study has been completed.  
(June 5, 2008) Approve, LC Limited Commercial (“LC”) with a Protective Overlay vote 12-0.

**MAPD Staff Recommendation:** Deny, LC Limited Commercial (“LC”) request  
Approve, for NR Neighborhood Retail (“NR”)





**Background:** The applicant is requesting a zone change from B Multi-family Residential (“B”) (Lots 1, 3 and the north 40.51 feet of Lot 5) and MF-29 Multi-family Residential (“MF-29”) (the south 9.49 feet of Lot 5 and the north 8.51 feet of Lot 7) to the LC Limited Commercial (“LC”) district. The application area contains approximately 0.4-acres with 128 feet of frontage located along Central Avenue, one block east of Oliver. These lots are developed with two four-plexus, one on each lot, built in the early 1940’s, with what appears to be less than five off-street parking spaces serving eight dwelling units. The applicant proposes the rezoning to allow for the highest and best use to allow commercial development.

The majority of residential development in this area is located between Bleckley Drive (west) and Pinecrest Avenue (east), along the south side of Central Avenue. This development consists of four-plexes, duplexes and single-family residences zoned B or MF-29. Most of these multi-family structures appear to have been built in the early 1940’s.

Property south of the subject site is zoned MF-29, and is developed with a four-plex, also built in the early 1940s. Property east of the site is zoned B and developed with single-family residences. Property north of the subject site, across Central Avenue, is zoned LC, and is developed with a fast food restaurant. West of the subject site, across Bleckley Drive, the property is zoned LC, and is developed with a retail strip center.

The subject site is located in flood zone AE. The AE flood zone is a flood insurance rate zone that corresponds to the 100-year floodplain that is determined in the Flood Insurance Study by detailed methods. Mandatory flood insurance purchase requirements apply. The waterway that flows through this area, the West Branch Dry Creek of Gypsum Creek, begins just north of Claude Lambe Park and travels south through the LW Clapp Golf Course before joining Gypsum Creek southeast of Hillside and Pawnee.

**Analysis:** This case was heard at the District II Advisory Board meeting held on April 9, 2008, and DAB II voted (7-0) to defer the request for LC zoning until a comprehensive flood study has been completed. At the MAPC meeting held April 10, 2008, the MAPC voted (12-0) to defer the request for 60 days until the completion of a flood study. At the MAPC meeting on June 5, 2008, the request was again heard without the completion of a flood study. Staff recommended denial of the request for LC zoning, however, staff recommended approval of NR zoning. After discussion, the MAPC recommended approval of the LC request with a Protective Overlay with two provisions which include:

1. Submission and approval of a drainage plan prior to issuance of any building permits.
2. Dedication of complete access control along Bleckley Drive, and dedication of access control except for one opening along Central Avenue.

There were two citizens that spoke in favor of the application and there was no opposition.

**Financial Considerations:** None.

**Goal Impact:** Promote Economic Vitality and Improve Housing Variety

**Legal Considerations:** The ordinance has been reviewed and approved as to form by the Law Department.

**Recommendation/Actions:**

1. Adopt the findings of the MAPC, approve the zone change subject to the provisions of Protective Overlay #212; and withhold publication of ordinance until conditions of the protective overlay are met; or
2. Return the application to the MAPC for reconsideration; or
3. Deny the application.

(An override of the Planning Commission's recommendation requires a two-thirds majority vote of the City Council on the first hearing.)

## EXCERPT OF THE JUNE 5, 2008, MAPC HEARING

**Case No.: ZON2008-26** – Autolights Inc. Attn: Rex Hensley (applicant), Baughman Company, P.A., attn: Russ Ewy (agent) Request City zone change from SF-5 Single family Residential and LC Limited Commercial to GC General Commercial on property described as;

Lots 46 and 47, Linwood Acres Addition, Sedgwick County, Kansas. Generally located the south side of Lewis, 1/2 block west of Zelta and one block north of Kellogg.

**BACKGROUND:** The applicants request a zone change from SF-5 Single-family Residential (“SF-5”) and LC Limited Commercial (“LC”) to GC General Commercial (“GC”) on a site encompassing two properties. The property at 11002 East Lewis Street is 0.87 acres in size, while the property at 11728 East Lewis Street is 0.88 acres in size (Lots 47 and 46 respectively of the Linwood Acres Addition.) Lot 47 is developed with an outbuilding while Lot 46 is currently undeveloped. The applicants proposed to use the site for vehicle rental and additional outdoor storage.

The applicant is not requesting access to Lewis from the expanded site. Access to the subject site will be provided from the frontage road through the existing property along Kellogg Drive. The applicant will be asked to submit an agreement not to protest participating in the future paving of Lewis Street. The City’s landscape code will require the frontage along Lewis Street to be landscaping with trees in front of a screening fence.

The surrounding area is characterized, predominantly, by large undeveloped and developed commercial properties zoned either LC or GC. Residential development is located north of the subject site, across Lewis, with property zoned MH Manufactured Housing District (“MH”), TF-3 Two-family Residential (“TF-3”), MF-18 Multi-family Residential (“MF-18”) and SF-5 with development consisting of a Mobile Home Park and single-family residences. The property to the south (same property owner as the subject site) is zoned GC and is developed as an auto dealership. The property to the east of the subject site is zoned LC and SF-5 and is currently developed with a Manufactured Home Park along with some undeveloped property, while the property to the west of the subject site is zoned GC and is being developed as an automobile dealership.

**CASE HISTORY:** The subject site encompasses two properties, Lots 46 and 47 of the Linwood Acres Addition, recorded on October 1929. Property abutting the west property line was rezoned to GC with a Protective Overlay in 1998.

### **ADJACENT ZONING AND LAND USE:**

NORTH:	“MH” Mobile Home Park
SOUTH:	“GC” Auto Dealership
EAST:	“LC” Vacant, Manufactured Home Park
WEST:	“GC” Vacant Commercial Land (Auto dealership under construction)

**PUBLIC SERVICES:** The subject site can be accessed off of East Lewis Street, an unimproved local road. However, the main access to the site is off of East Kellogg Drive, a paved two-lane frontage road running along the north side of East Kellogg Road, a four-lane freeway/expressway with a traffic count of approximately 50,000 average daily trips. Complete access control by separate instrument will be required along East Lewis Street. The subject property does have access to public sewer or public water service. The nearest sewer line runs along the south property line and the nearest water line runs along the north side of Lewis Street.

**CONFORMANCE TO PLANS/POLICIES:** The Land Use Guide of the Comprehensive Plan identifies this area as “Regional Commercial” within the Wichita 2030 Urban Growth Area. “This category encompasses major destination areas (centers and corridors) containing concentrations of commercial, office, and personal service uses that have predominately regional market areas and high volumes of retail traffic. These areas are located in close proximity to major arterials or freeways. The range of uses includes major retail malls, major automobile dealerships and big box retail outlets with a regional market draw. Regional Commercial areas may also include higher density residential housing and uses typically found in Local Commercial areas.”

The current zoning request of GC for the 1.77-acre subject site is in conformance with the Comprehensive Plan's recommended development. In terms of conformance with commercial goals/objectives/strategies and locational guidelines, the application conforms with the **Commercial/Office Objective** to "Develop future retail/commercial areas which complement existing commercial activities, provide convenient access to the public and minimize detrimental impacts to other adjacent land uses," as well as **Strategy III.B1** of regulating new strip commercial development to areas identified by the "Wichita Land Use Guide" and neighborhood/subarea plans for expansion. **Strategy III.B.6** seeks to channel traffic generated by commercial activities to the closest major thoroughfare with minimum impact upon local residential streets; the major access points for this proposed rezone directs traffic onto east Kellogg Road.

**Commercial Locational Guideline #1** of the *Comprehensive Plan* recommends that commercial sites should be located adjacent to arterial streets or major thoroughfares that provide needed ingress and egress in order to avoid traffic congestion. The proposed development complies with this guideline. **Commercial Locational Guideline #3** recommends site design features that limit noise, lighting and other aspects that may adversely affect residential use, **#4** recommends compact clusters versus extended strip development, and **#5** stated that commercially-generated traffic should not feed directly onto local residential streets.

**RECOMMENDATION:** Based upon information available prior to the public hearings, planning staff recommends that the request be APPROVED, subject to a Protective Overlay:

1. Dedication of complete access control by separate instrument along East Lewis Street.
2. The applicant shall construct a 6 foot solid screening fence along Lewis Street 10 feet south of the right-of-way line.
3. Submit a "no protest" petition regarding the future paving of Lewis Street.
4. Establish a covenant tying the ownership of the subject site to the abutting lot to the south.

This recommendation is based on the following findings:

1. **The zoning, uses and character of the neighborhood:** The surrounding area is characterized, predominantly, by large undeveloped and developed commercial properties zoned either LC or GC. Residential development is located north of the subject site, across Lewis, with property zoned MH, TF-3, MF-18 and SF-5 with development consisting of a Mobile Home Park and single-family residences. The property to the south (same property owner as the subject site) is zoned GC and is developed as an auto dealership. The property to the east of the subject site is zoned LC and SF-5 and is currently developed with a Manufactured Home Park along with some undeveloped property, while the property to the west of the subject site is zoned GC and is being developed as an automobile dealership.
2. **The suitability of the subject property for the uses to which it has been restricted:** The subject property is currently zoned LC with a 30 foot strip of SF-5 zoning fronting East Lewis Street. Due to its close proximity to existing commercial zoning (LC to the east and GC to the south and west), it is unlikely that the subject property would be viable as a single-family residential property. This rezone request follows the zoning pattern for the properties located north of east Kellogg, between Greenwich and Zelta Street. The Protective Overlay for this request is patterned off the Protective Overlay that was placed on the property abutting to the west during its zone change in 1998.
3. **Extent to which removal of the restrictions will detrimentally affect nearby property:** The scale and impact of any development within GC zoning should be mitigated by the site development requirements related to access management, landscaping, screening, lighting and signage.
4. **Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies:** The Land Use Guide of the Comprehensive Plan identifies this area as "Regional Commercial" within the Wichita 2030 Urban Growth Area. "This category encompasses major destination areas (centers and corridors) containing concentrations of commercial, office, and personal service uses that have

predominately regional market areas and high volumes of retail traffic. These areas are located in close proximity to major arterials or freeways. The range of uses includes major retail malls, major automobile dealerships and big box retail outlets with a regional market draw. Regional Commercial areas may also include higher density residential housing and uses typically found in Local Commercial areas.”

The current zoning request of GC for the 1.77-acre subject site is in conformance with the Comprehensive Plan’s recommended development. In terms of conformance with commercial goals/objectives/strategies and locational guidelines, the application conforms with the **Commercial/Office Objective** to “Develop future retail/commercial areas which complement existing commercial activities, provide convenient access to the public and minimize detrimental impacts to other adjacent land uses,” as well as **Strategy III.B1** of regulating new strip commercial development to areas identified by the “Wichita Land Use Guide” and neighborhood/subarea plans for expansion. **Strategy III.B.6** seeks to channel traffic generated by commercial activities to the closest major thoroughfare with minimum impact upon local residential streets; the major access points for this proposed rezone directs traffic onto east Kellogg Road.

5. **Impact of the proposed development on community facilities:** All services are in place, and any increased demand on community facilities can be handled by current infrastructure.

**DERRICK SLOCUM**, Planning Staff presented the Staff Report.

**MCKAY** mentioned the complete access control from Lewis Street. He asked if Lewis Street is paved in the future and the applicant signs a “no protest petition”, will there be some type of access control negotiations.

**SLOCUM** responded that has not been decided yet. He said normally the City discourages commercial traffic on local streets.

**RUSS EWY, BAUGHMAN CO., AGENT FOR THE APPLICANT**, said the client has expressed no hesitation on the terms of the protective overlay and they see very little need for Lewis Street to be paved; however, if that happens, they will seek vacation of Lewis Street at that time.

**MOTION:** To approve subject to staff recommendation.

**MCKAY** moved, **HILLMAN** seconded the motion, and it carried (10-0).

Published in The Wichita Eagle on \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

BE IT ORDAINED BY THE GOVERNING BODY  
OF THE CITY OF WICHITA, KANSAS.

**SECTION 1.** That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

**Case No. ZON2008-00026**

Zone change from SF-5 Single-family Residential ("SF-5") and LC Limited Commercial ("LC") to GC General Commercial ("GC") subject to Protective Overlay #213 on property described as:

Lots 46 and 47, Linwood Acres Addition, Wichita, Sedgwick County, Kansas. Generally located on the south side of Lewis, a half block west of Zelta and one block north of east Kellogg (11002 & 11723 East Lewis).

**SUBJECT TO THE FOLLOWING PROVISIONS OF PROTECTIVE OVERLAY DISTRICT #213:**

1. Dedication of complete access control by separate instrument along East Lewis Street.
2. The applicant shall construct a 6 foot solid screening fence along Lewis Street 10 feet south of the right-of-way line.
3. Submit a "no protest" petition regarding the future paving of Lewis Street.
4. Establish a covenant tying the ownership of the subject site to the abutting lot to the south.

**SECTION 2.** That upon the taking effect of this ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita -Sedgwick County Unified Zoning Code as amended.

**SECTION 3.** That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

**ADOPTED AT WICHITA, KANSAS,** \_\_\_\_\_

\_\_\_\_\_  
Carl Brewer - Mayor

**ATTEST:**

\_\_\_\_\_  
Karen Sublett, City Clerk

(SEAL)

Approved as to form:

\_\_\_\_\_  
Gary E. Rebenstorf, City Attorney



City of Wichita  
City Council Meeting  
July 8, 2008

**TO:** Mayor and City Council

**SUBJECT:** ZON2008-00026 – Zone change from SF-5 Single-family Residential (“SF-5”) and LC Limited Commercial (“LC”) to GC General Commercial (“GC”); generally located on the south side of Lewis, a half block west of Zelta and one block north of east Kellogg. (11002 & 11723 East Lewis) (District II)

**INITIATED BY:** Metropolitan Area Planning Department

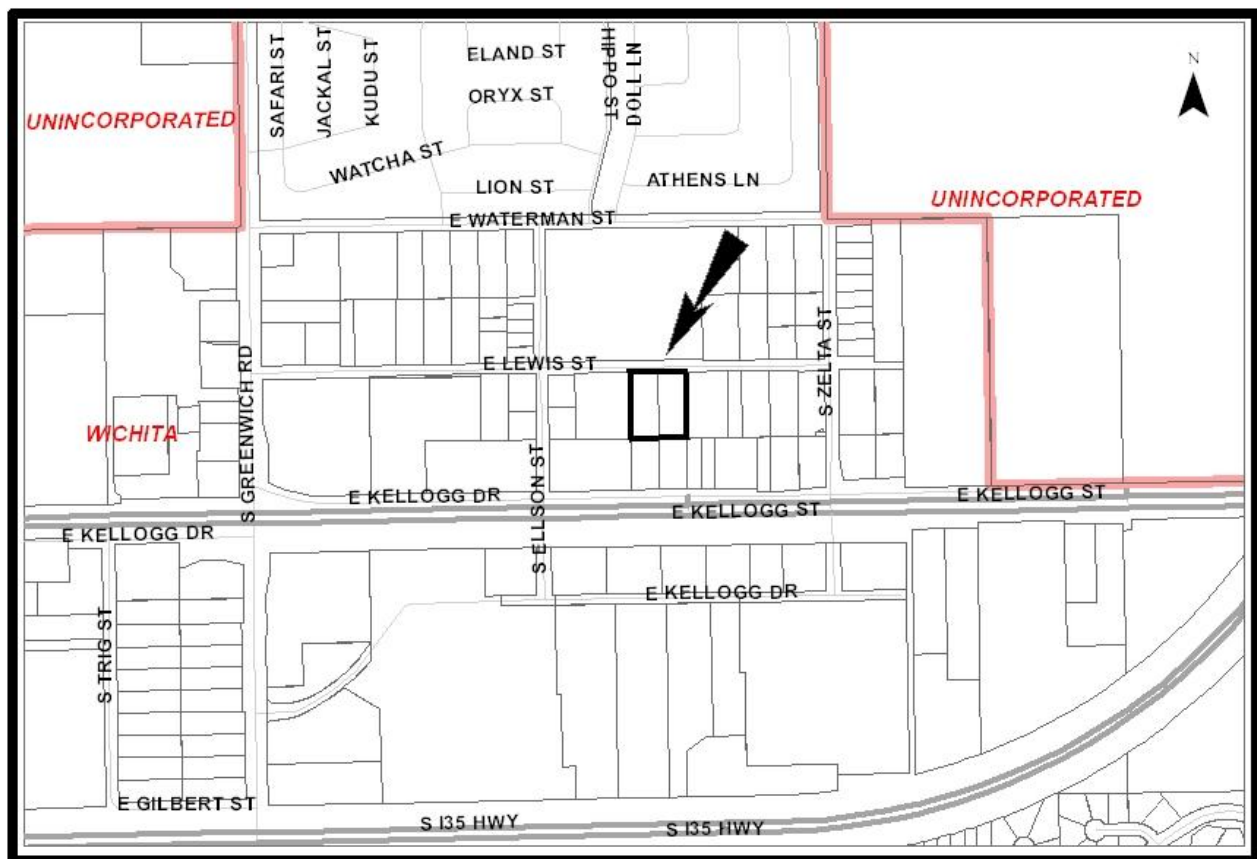
**AGENDA:** Planning (Consent)

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**DAB II Recommendation:** Approve, subject to Protective Overlay #213, vote 9-0.

**MAPC Recommendation:** Approve, subject to Protective Overlay #213, vote 10-0

**MAPD Staff Recommendation:** Approve, subject to Protective Overlay #213



**Background:** The applicants request a zone change from SF-5 Single-family Residential (“SF-5”) and LC Limited Commercial (“LC”) to GC General Commercial (“GC”) on a site encompassing two properties. The property at 11002 East Lewis Street is 0.87 acre in size, while the property at 11728 East Lewis Street is 0.88 acre in size (Lots 47 and 46 respectively of the Linwood Acres Addition.) Lot 47 is developed with an outbuilding while Lot 46 is currently undeveloped. The applicants propose to use the site for vehicle rental and for additional outdoor storage.

The surrounding area is characterized, predominantly, by large undeveloped and developed commercial properties zoned either LC or GC. Residential development is located north of the subject site, across Lewis, with property zoned MH Manufactured Housing District (“MH”), TF-3 Two-family Residential (“TF-3”), MF-18 Multi-family Residential (“MF-18”) and SF-5. There currently is no industrial development in the area.

The property north of the subject site, directly across east Lewis Street, is zoned MH and SF-5 and is developed as a mobile home park and single-family residences. The property to the south (same property owner as the subject site) is zoned GC and is developed as an auto dealership. The property to the east of the subject site is zoned LC and SF-5 and is currently undeveloped, while the property to the west of the subject site is zoned GC and is also undeveloped.

**Analysis:** This case was heard at the District II Advisory Board meeting held on June 16, 2008, and DAB II voted (9-0) to approve the request with Protective Overlay #213. There was one person who spoke for the applicant in regards to one of the overlay conditions. After some discussion, the issue was resolved and the one citizen was satisfied with the outcome. At the MAPC meeting held June 05, 2008, the MAPC voted (10-0) to approve the request for LC zoning with a Protective Overlay with four provisions which:

1. Dedication of complete access control by separate instrument along East Lewis Street.
2. The applicant shall construct a 6-foot solid screening fence along Lewis Street 10 feet south of the right-of-way line.
3. Submit a “no protest” petition regarding the future paving of Lewis Street.
4. Establish a covenant tying the ownership of the subject site to the abutting lot to the south.

No citizens that spoke in favor or opposition of the application.

**Financial Considerations:** None.

**Goal Impact:** Promote Economic Vitality

**Legal Considerations:** The ordinance has been reviewed and approved as to form by the Law Department.

**Recommendation/Actions:**

1. Adopt the findings of the MAPC, approve the zone change subject to the provisions of Protective Overlay #213; and withhold publication of the ordinance until conditions of the protective overlay are met; or
2. Return the application to the MAPC for reconsideration; or
3. Deny the application.

(An override of the Planning Commission’s recommendation requires a two-thirds majority vote of the City Council on the first hearing.)

## EXCERPT OF THE JUNE 5, 2008, MAPC HEARING

**Case No.: ZON2008-28** - Mobile Home Living Inc., (owner), Ruggles & Bohm c/o Tom Ruggles (agent) Request City zone request on a parcel with no zoning to MH Manufactured Housing on property described as;

A tract of land in Section 22, Township 28 South, Range 1 East of the 6th P.M., Sedgwick County, Kansas, described as follows: Beginning at a point on the South Section line, North 89 degrees 40' East, 2523.94 feet from the Southwest Corner of said Section 22; thence continuing along said line, 327 feet to a point on the West Right of Way of the Wichita and Valley Center Riverside Levee; thence along said West Right of Way, North 24 degrees 28' West, 328.73 feet; thence South 89 degrees 40' West, 192.59 feet; thence South 00 degrees 20' East, 300 feet to the point of beginning. Generally located 1/2 mile east of Hydraulic Avenue at 55th Street South and abutting the Arkansas River.

**BACKGROUND:** The application area is an unzoned parcel along the Arkansas River. The property is under the same ownership as the mobile home park to the north and west of the site. The applicant wishes to develop the site with storage for the mobile home park and therefore requested a rezoning to MH Manufactured Housing ("MH"). The property is currently unplatted; however, the applicant has initiated the platting process.

Property north and west of the site is zoned MH and is developed with manufactured home pad sites. Property south of the site is zoned SF-5 Single-family Residential and utilized as a municipal sewage treatment site. Property east of the site is the unzoned Arkansas River.

**CASE HISTORY:** The site is unplatted.

### **ADJACENT ZONING AND LAND USE:**

NORTH:	MH	Manufactured housing
SOUTH:	SF-5	Sewage treatment
EAST:	Unzoned	Arkansas River
WEST:	MH	Manufactured housing

**PUBLIC SERVICES:** The site has access from Spruce Ave., a two-lane paved private street internal to the larger mobile home park. City water and sewer are available at the site.

**CONFORMANCE TO PLANS/POLICIES:** The "2030 Wichita Functional Land Use Guide" of the Comprehensive Plan identifies this site as appropriate for "Urban Residential." The Urban Residential category includes all densities of residential development found within the urban municipality.

**RECOMMENDATION:** Based upon information available prior to the public hearings, planning staff recommends that the request be APPROVED, subject to platting within one year.

This recommendation is based on the following findings:

1. The zoning, uses and character of the neighborhood: Property north and west of the site is zoned MH and is developed with manufactured home pad sites. Property south of the site is zoned SF-5 Single-family Residential and utilized as a municipal sewage treatment site. Property east of the site is the unzoned Arkansas River.
2. The suitability of the subject property for the uses to which it has been restricted: The site cannot be developed if unzoned, therefore the property is not suitable for the uses to which it has been restricted.
3. Extent to which removal of the restrictions will detrimentally affect nearby property: Approval of the request will allow the site to be used for manufactured housing, or in support of a manufactured housing development. There should be no detrimental effect on nearby property.

4. Conformance of the requested change to the adopted or recognized Comprehensive Plan and policies: The “2030 Wichita Functional Land Use Guide” of the Comprehensive Plan identifies this site as appropriate for “Urban Residential.” The Urban Residential category includes all densities of residential development found within the urban municipality.
5. Impact of the proposed development on community facilities: The proposed zone change should have no impact on community facilities.

**DONNA GOLTRY (FOR JESS MCNEELY)**, Planning staff presented the staff report.

**FOSTER** asked specifically what type of storage will be allowed.

**GOLTRY** said the types of items that people would store in sheds and garages. She said the applicant also wants to use the building as a maintenance facility for the manufactured home park.

**FOSTER** asked about storage of vehicles.

**GOLTRY** responded no.

**MITCHELL** asked about the east line of the property and the levee right-of-way.

Staff couldn't respond to that question.

**TOM RUGGLES, RUGGLES & BOHM, AGENT FOR THE APPLICANT**, gave a brief history of the property explaining that this back corner was an exception of the original plat of the mobile home park, which was platted in 1988. He said the mobile home park was sold in 2005 and the current owner's intent is to use the building as a storage and maintenance facility and storage facility for the mobile home park tenants. He said this Commission had previously approved the plat and conditions in May, 2008. He said the owner was willing to sign a covenant and in addition, there is language on the face of the plat that limits use of this property to a maintenance and storage facility.

**HILLMAN** asked about screening.

**RUGGLES** responded he believed the zoning regulations required a screening fence, similar to what already exists around the mobile home park.

**HILLMAN** said control of access to the materials such as gasoline and mowers might be of interest to the owner.

Responding to **MITCHELL's** earlier question concerning the levee right-of-way, **RUGGLES** said the east line of the tract is in alignment with the west high bank line as it continues north, as it was platted in the addition to the north.

**MOTION:** To approve subject to staff recommendation.

**MARNELL** moved, **ANDERSON** seconded the motion, and it carried (10-0).

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Published in The Wichita Eagle on \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE CHANGING THE ZONING CLASSIFICATIONS OR DISTRICTS OF CERTAIN LANDS LOCATED IN THE CITY OF WICHITA, KANSAS, UNDER THE AUTHORITY GRANTED BY THE WICHITA-SEDGWICK COUNTY UNIFIED ZONING CODE, SECTION V-C, AS ADOPTED BY SECTION 28.04.010, AS AMENDED.

**BE IT ORDAINED BY THE GOVERNING BODY  
OF THE CITY OF WICHITA, KANSAS.**

**SECTION 1.** That having received a recommendation from the Planning Commission, and proper notice having been given and hearing held as provided by law and under authority and subject to the provisions of The Wichita-Sedgwick County Unified Zoning Code, Section V-C, as adopted by Section 28.04.010, as amended, the zoning classification or districts of the lands legally described hereby are changed as follows:

**Case No. ZON 2008-28**

Zone change request from un-zoned land to MH Manufacture Housing on property described as:

A tract of land in Section 22, Township 28 South, Range 1 East of the 6th P.M., Sedgwick County, Kansas, described as follows: Beginning at a point on the South Section line, North 89 degrees 40' East, 2523.94 feet from the Southwest Corner of said Section 22; thence continuing along said line, 327 feet to a point on the West Right of Way of the Wichita and Valley Center Riverside Levee; thence along said West Right of Way, North 24 degrees 28' West, 328.73 feet; thence South 89 degrees 40' West, 192.59 feet; thence South 00 degrees 20' East, 300 feet to the point of beginning., Sedgwick County, Kansas.

Generally located east of South Hydraulic and north of Campus Street.

**SECTION 2.** That upon the taking effect of this Ordinance, the above zoning changes shall be entered and shown on the "Official Zoning Map" previously adopted by reference, and said official zoning map is hereby reincorporated as a part of the Wichita-Sedgwick County Unified Zoning Code as amended.

**SECTION 3.** That this Ordinance shall take effect and be in force from and after its adoption and publication in the official City paper.

**ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.**

**ATTEST:**

\_\_\_\_\_  
Karen Sublett, City Clerk

\_\_\_\_\_  
Carl Brewer, Mayor

(SEAL)

Approved as to form:

\_\_\_\_\_  
Gary E. Rebenstorf, Director of Law

**City of Wichita**  
**City Council Meeting**  
July 8, 2008

**TO:** Mayor and City Council

**SUBJECT:** ZON2008-28 – Zoning request on a parcel with no zoning to MH Manufactured Housing, generally located 1/2 mile east of Hydraulic Avenue at 55th Street South and abutting the Arkansas River. (District III)

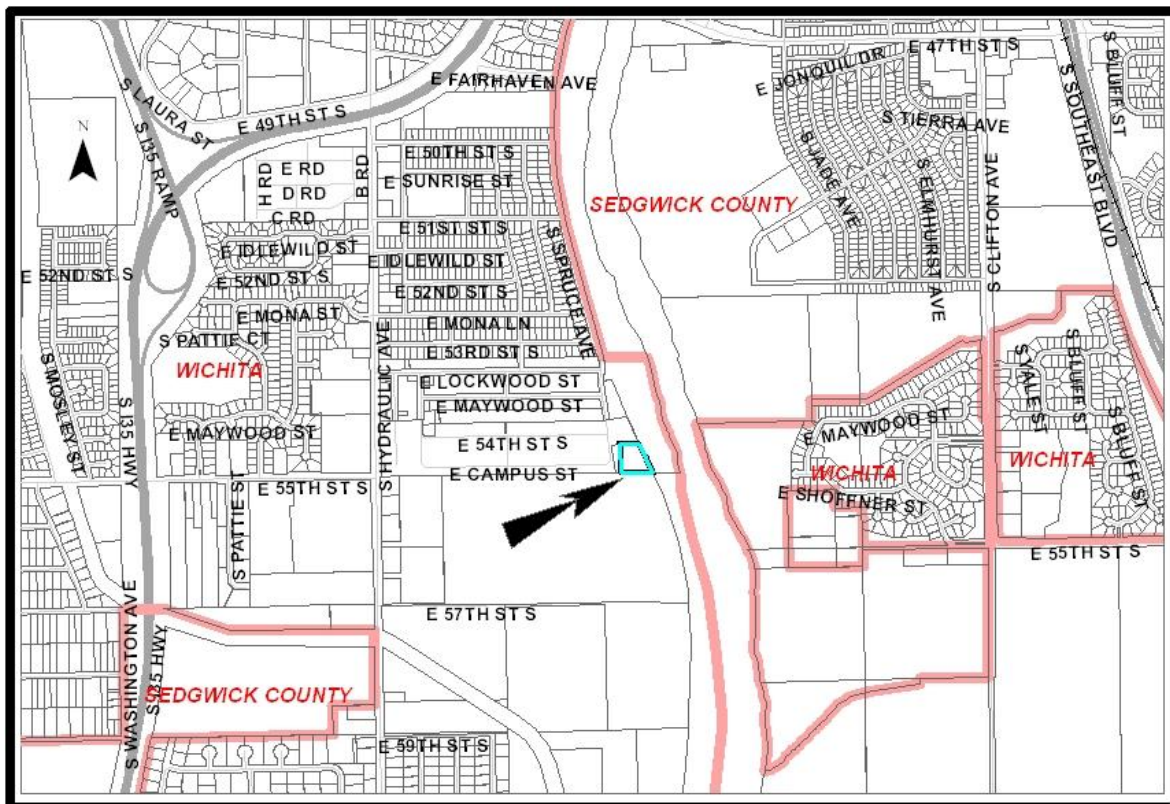
**INITIATED BY:** Metropolitan Area Planning Department

**AGENDA:** Planning (Consent)

**MAPC Recommendation:** Approve, subject to platting within one year (10-0).

**MAPD Staff Recommendation:** Approve, subject to platting within one year.

**DAB Recommendation:** None, DAB III did not hear this request.



**Background:** The application area is an unzoned parcel along the Arkansas River. The property is under the same ownership as the mobile home park to the north and west of the site. The applicant wishes to develop the site with storage for the mobile home park and therefore is requesting a rezoning to MH Manufactured Housing (“MH”). The property is currently unplatted; however, the applicant has initiated the platting process.

Property north and west of the site is zoned MH and is developed with manufactured home pad sites. Property south of the site is zoned SF-5 Single-family Residential and utilized as a municipal sewage treatment site. Property east of the site is the unzoned Arkansas River.

**Analysis:** The MAPC approved this request unanimously on June 5, 2008; no one spoke against the request at the public hearing and no protest petitions were filed.

**Financial Considerations:** None.

**Goal Impact:** Promote Economic Vitality.

**Legal Considerations:** The ordinance has been reviewed and approved as to form by the Law Department.

**Recommendation/Actions:**

1. Adopt the findings of the MAPC and approve the zone change subject to platting within one year, withhold publication of the ordinance until the plat is recorded; or
2. Return the application to the MAPC for reconsideration.

(An override of the Planning Commission's recommendation requires a two-thirds majority vote of the City Council on the first hearing.)

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council

**SUBJECT:** VAC2006-00035 Request to vacate a portion of a platted public street right-of-way; generally located between Market and Main Streets and between Kellogg Drive and Lewis Street. (District I)

**INITIATED BY:** Metropolitan Area Planning Department

**AGENDA:** Planning (Consent)

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**Staff Recommendation:** Approve.

**MAPC Recommendation:** Approve (unanimously).

**Background:** The applicant is requesting vacation of the approximately 305 foot long by 70 foot wide portion of Dewey Street right-of-way (ROW). This portion of Dewey Street ROW (which was platted as Morris Street, as recorded on the Grieffenstein's Third Addition in Wichita, Sedgwick County, Kansas) is located between Lots 108, 109, 110 and 111, Grieffenstein's Third Addition (north and south sides) and between Main and Market Streets (east and west sides). This portion of Dewey abuts the north end of the entrance into downtown Wichita and is a block east of the Waterwalk redevelopment project. There is Westar equipment, Cox cable lines, a gas line, storm water and a water line in the ROW. The Grieffenstein's Third Addition was recorded with the Register of Deeds on June 19, 1873.

**Analysis:** The MAPC voted (10-0-1) to approve the vacation request. No one spoke in opposition to this request at the MAPC's advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

**Financial Considerations:** None.

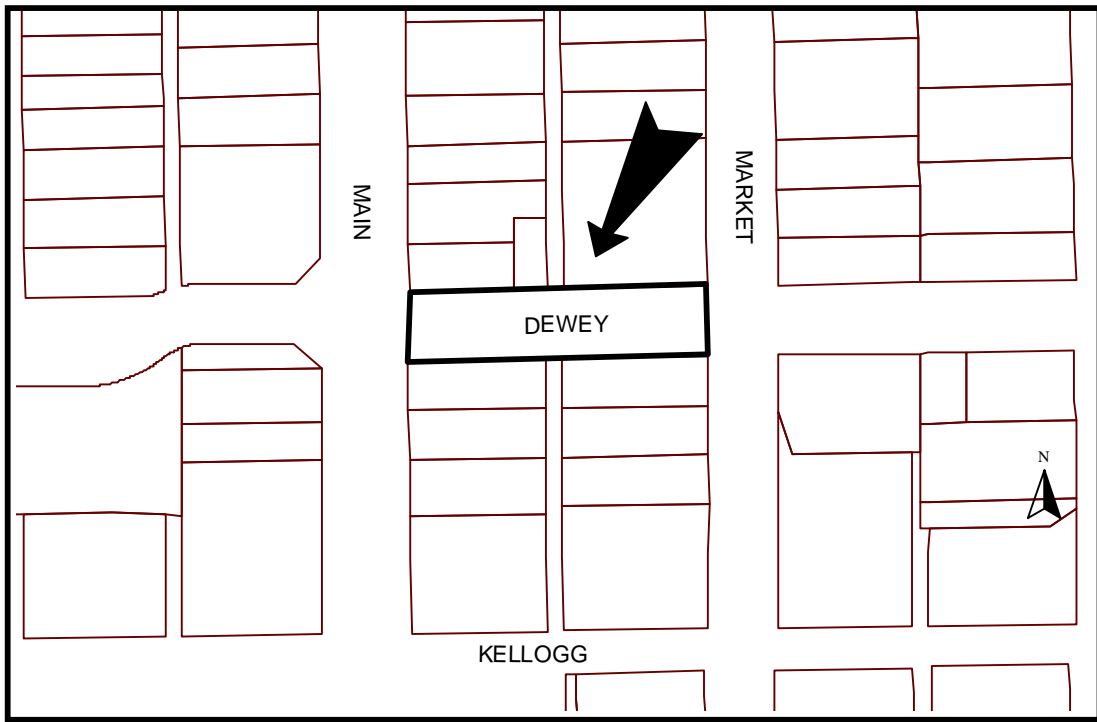
**Goal Impact:** Ensure efficient infrastructure.

**Legal Considerations:** A certified copy of the Vacation Order and dedication of complete access control by separate instrument will be recorded with the Register of Deeds.

**Recommendation/Actions:** Follow the recommendation of the Metropolitan Area Planning Commission and approve the Vacation Order, and authorize the necessary signatures.

**Attachments:** None.





**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council

**SUBJECT:** VAC2007-00035 Request to vacate a portion of a platted utility easement; generally located west of 143<sup>rd</sup> Street East on the north side of 13<sup>th</sup> Street. (District II)

**INITIATED BY:** Metropolitan Area Planning Department

**AGENDA:** Planning (Consent)

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**Staff Recommendation:** Approve.

**MAPC Recommendation:** Approve (unanimously).

**Background:** The applicants are requesting consideration for the vacation of a portion of the platted 40 foot utility easement, located on the south sides of Lots 8 and 9, Block 1, Savanna at Castle Rock Ranch 4<sup>th</sup> Addition. The applicants are proposing to finish construction of a masonry wall to buffer them from traffic on 13th Street. The applicants have provided a letter from the homeowner's association approving the proposed masonry wall. This letter also approves of landscaping and irrigation outside of the wall. No private landscaping or irrigation can be placed in the 13th Street right-of-way (ROW). Sewer is located within the north portion of the platted 40 foot utility easement. Water is located in both the 13th and Castle Rock Streets ROW. Westar has utilities located within the described easement that serves both subject properties. The Savanna at Castle Rock Ranch 4th Addition was recorded with the Register of Deeds on June 9, 1993.

**Analysis:** The MAPC voted (11-0) to approve the vacation request. No one spoke in opposition to this request at the MAPC's advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

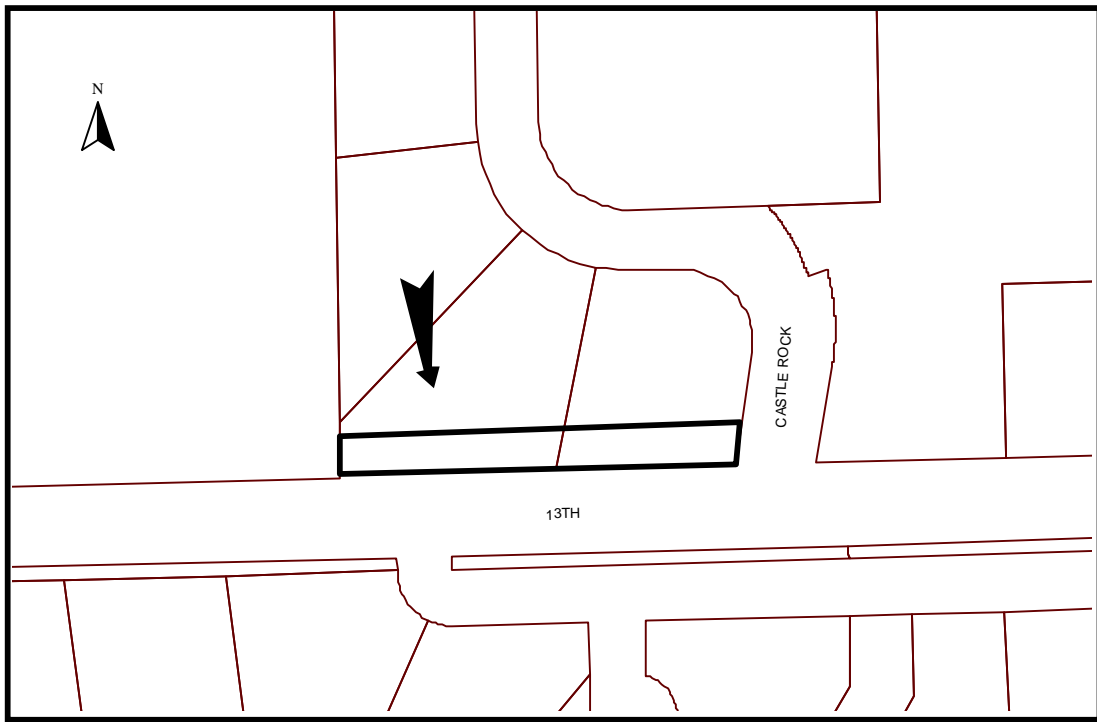
**Financial Considerations:** None.

**Goal Impact:** Ensure efficient infrastructure.

**Legal Considerations:** A certified copy of the Vacation Order and hold harmless agreements will be recorded with the Register of Deeds.

**Recommendation/Actions:** Follow the recommendation of the Metropolitan Area Planning Commission and approve the Vacation Order, and authorize the necessary signatures.

**Attachments:** None.



City of Wichita  
City Council Meeting  
July 8, 2008

**TO:** Mayor and City Council

**SUBJECT:** VAC2008-00006 Request to vacate multiple platted access easements and a platted utility easement; generally located between I-35 and Central Avenue, west of 159<sup>th</sup> Street East. (District II)

**INITIATED BY:** Metropolitan Area Planning Department

**AGENDA:** Planning (Consent)

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**Staff Recommendation:** Approve.

**MAPC Recommendation:** Approve (unanimously).

**Background:** The applicant proposes to vacate the 5-foot wide platted maintenance access easements located on Lots 2-12 and the platted 5-foot wide utility easement located on Lot 9, all in Block 2, the Terradyne West Addition. All of the easements are located along the length of the interior side yards of the described residential lots. The platted maintenance access easements are to be used for (per the platlor's text) pedestrian emergency access, construction, maintenance, the extension of footing and a 2 foot overhang of the structure on the adjacent lot. There are no manholes, water or sewer lines in the described easements. Westar has equipment in an easement. The applicant proposes to create new parcels with boundary shifts, thus the need to remove the platted easements. The Terradyne West Addition was recorded with the Register of Deeds on December 12, 2006.

**Analysis:** The MAPC voted (14-0) to approve the vacation request. No one spoke in opposition to this request at the MAPC's advertised public hearing or its Subdivision Committee meeting. No written protests have been filed.

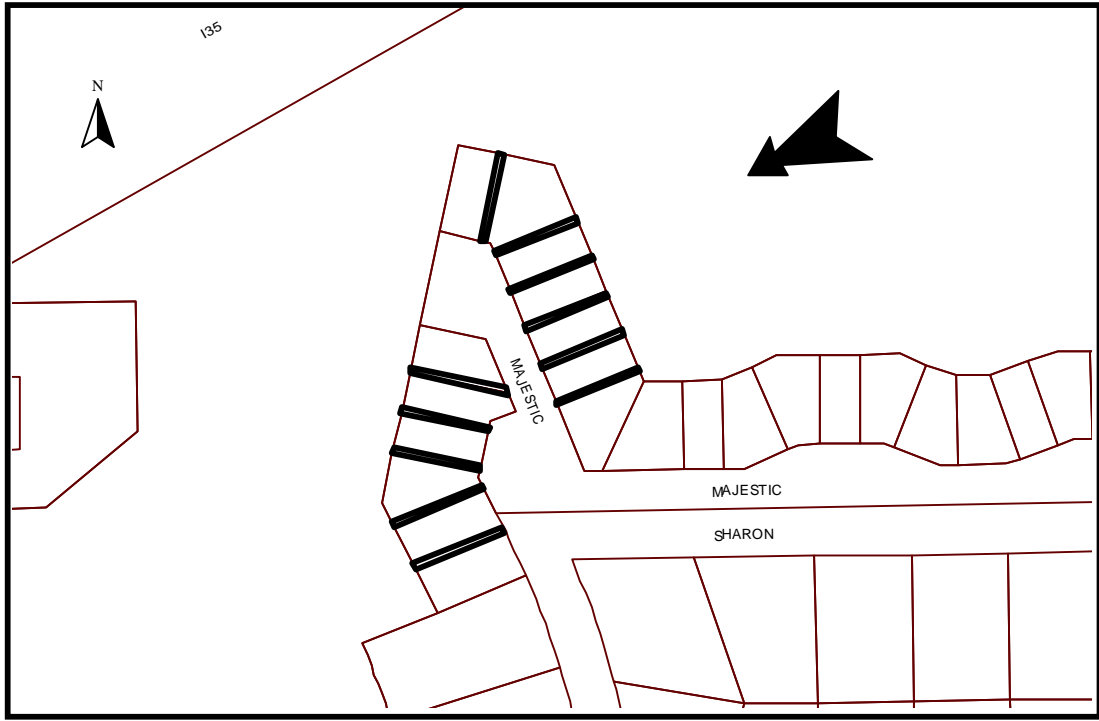
**Financial Considerations:** The applicant has provided Public Works with the new square footage for each of the reconfigured lots to address the redistribution of the funds involved in the specials (water, sewer and drainage) for the properties.

**Goal Impact:** Ensure efficient infrastructure.

**Legal Considerations:** A certified copy of the Vacation Order and an easement dedicated by separate instrument will be recorded with the Register of Deeds.

**Recommendation/Actions:** Follow the recommendation of the Metropolitan Area Planning Commission and approve the Vacation Order, and authorize the necessary signatures.

**Attachments:** None.



**Agenda Item No. 15.**

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council

**SUBJECT:** Municipal Court Judge Compensation

**INITIATED BY:** City Council

**AGENDA:** City Council

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**Recommendation:** Approve salary increases for Municipal Court Judges.

**Background:** Charter Ordinance No. 191 provides that the compensation of Municipal Court Judges shall be set by the City Council. The ordinance also provides that the judges will be evaluated according to procedures established by the City Council. Pursuant to Charter Ordinance No. 191, the “City Council Policy on the Evaluation Procedures for Wichita Municipal Court Judges” provides the process for evaluating and compensating Municipal Court Judges.

**Analysis:** Vice Mayor Schlapp and City Council member Williams were designated by the City Council to conduct the review required by the Policy for compensation of all of the Municipal Court Judges. The judges have been evaluated based on their service from April 2007 to April 2008. Accordingly, it is recommended that each judge receive a 2% merit increase, retroactive to the third Tuesday of April, 2008.

**Financial Considerations:** The cost of the salary increases is budgeted in the Municipal Court Budget.

**Goal Impact:** The ordinance amendment addresses the Safe and Secure Community goal by providing adequate compensation for Municipal Court Judges.

**Legal Considerations:** None

**Recommendations/Actions:** Approve a merit increase of 2% retroactive to the third Tuesday of April, 2008 for all of the Municipal Court Judges.

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council  
**SUBJECT:** Community Events  
**INITIATED BY:** Division of Arts & Cultural Services (District VI)  
**AGENDA:** Consent

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**Recommendation:** Approve the request for street closures.

**Background:** In accordance with the Community Events Procedure, the event promoter Karie Ross, UniFirst is coordinating with City of Wichita Staff, subject to final approval by the City Council.

**Analysis:** The following street closure request has been submitted:

**UniFirst Founders Day Company Picnic July 12, 2008 8:00 am – 5:00 pm**

- Stackman Drive, Murdock to Nims

Client will arrange to remove blockades as necessary to allow emergency vehicle access during entire designated time period. Blockades will be removed immediately upon completion of the event.

**Financial Consideration:** The event sponsor is responsible for all costs associated with special event.

**Goal Impact:** Enhance the Quality of Life

**Legal Consideration:** None

**Recommendation/Actions:** It is recommended that the City Council approve the request subject to: (1) Hiring off-duty certified law enforcement officers as required; (2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department; (3) Certificate of Liability Insurance on file with the Community Events Coordinator.

**City of Wichita  
City Council Meeting  
July 8, 2007**

**TO:** Mayor and City Council  
**SUBJECT:** Community Events (District I)  
**INITIATED BY:** Division of Arts & Cultural Services  
**AGENDA:** Consent

---

**Recommendation:** Approve the request for street closure.

**Background:** In accordance with the Community Events Procedure, the event promoter, Schaunta James-Boyd is coordinating and with City of Wichita Staff, subject to final approval by the City Council.

**Analysis:** The following street closure request has been submitted:

**St. Mark Community Day 7:30 am to 4:30 pm, July 26, 2008.**

§ Lorraine Street, 15<sup>th</sup> Street to 16<sup>th</sup> Street not including intersections

Client will arrange to remove blockades as necessary to allow emergency vehicle access during entire designated time period. Blockades will be removed immediately upon completion of the event.

**Financial Consideration:** The event sponsor is responsible for all costs associated with special event.

**Goal Impact:** Enhance the Quality of Life

**Legal Consideration:** None

**Recommendation/Actions:** It is recommended that the City Council approve the request subject to: (1) Hiring off-duty certified law enforcement officers as required; (2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department. (3) Certificate of Liability Insurance on file with the Community Events Coordinator.



City of Wichita  
City Council Meeting  
July 8, 2008

**TO:** Mayor and City Council Members

**SUBJECT:** Agreement for Design Services for Moorings 10<sup>th</sup> Addition (south of 53<sup>rd</sup> Street North, west of Meridian) (District VI)

**INITIATED BY:** Department of Public Works

**AGENDA:** Consent

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**Recommendation:** Approve the Agreement.

**Background:** The City Council approved the paving, water, sewer, drainage and bridge improvements in Moorings 10<sup>th</sup> Addition on January 8, 2008.

**Analysis:** The proposed Agreement between the City and MKEC Engineering Consultants, Inc. (MKEC) provides for the design of bond financed improvements consisting of paving, water, sewer, drainage and bridge in Moorings 10<sup>th</sup> Addition. Per Administrative Regulation 1.10, staff recommends that MKEC be hired for this work, as this firm provided the preliminary engineering services for the platting of the subdivision and can expedite plan preparation.

**Financial Considerations:** Payment to MKEC will be on a lump sum basis of \$172,500 and will be paid by special assessments.

**Goal Impact:** This Agreement addresses the Efficient Infrastructure goal by providing the engineering design services needed for the construction of paving, water, sewer, drainage and bridge improvements in a new subdivision. It also addresses the Economic Vitality and Affordable Living goal by providing public improvements in new developments that are vital to Wichita's continued economic growth.

**Legal Considerations:** The Agreement has been approved as to form by the Law Department.

**Recommendation/Action:** It is recommended that the City Council approve the Agreement and authorize the necessary signatures.

**Attachments:** Agreement.

AGREEMENT

for

PROFESSIONAL SERVICES

between

THE CITY OF WICHITA, KANSAS

and

MKEC ENGINEERING CONSULTANTS, INC.

for

MOORINGS 10<sup>TH</sup> ADDITION

THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between the CITY OF WICHITA, KANSAS, party of the first part, hereinafter called the "CITY" and MKEC ENGINEERING CONSULTANTS, INC., party of the second part, hereinafter called the "ENGINEER".

WITNESSETH: That

WHEREAS, the CITY intends to construct;

**WATER DISTRIBUTION SYSTEM NO. 448 90356** serving Lots 2 through 18, Block 1; Lots 1 through 10, Block 2; Lots 1 through 24, Block 3; Lots 1 through 23, Block 4; Lots 1 through 5, Block 5, Moorings 10<sup>th</sup> Addition (south of 53<sup>rd</sup> Street North, west of Meridian) (Project No. 448 90356).

**LATERAL 14, MAIN 15, SANITARY SEWER NO. 23** serving Lots 1 through 18, Block 1; Lots 1 through 10, Block 2; Lots 1 through 24, Block 3; Lots 1 through 23, Block 4; Lots 1 through 5, Block 5, Moorings 10<sup>th</sup> Addition (south of 53<sup>rd</sup> Street North, west of Meridian) (Project No. 468 84467).

**STORM WATER DRAIN NO. 344** serving Lots 2 through 18, Block 1; Lots 1 through 10, Block 2; Lots 1 through 24, Block 3; Lots 1 through 23, Block 4; Lots 1 through 5, Block 5, Moorings 10<sup>th</sup> Addition (south of 53<sup>rd</sup> Street North, west of Meridian) (Project No. 468 84468).

**STORM WATER SEWER NO. 641** serving Lots 2 through 18, Block 1; Lots 1 through 10, Block 2; Lots 1 through 24, Block 3; Lots 1 through 23, Block 4; Lots 1 through 5, Block 5, Moorings 10<sup>th</sup> Addition (south of 53<sup>rd</sup> Street North, west of Meridian) (Project No. 468 84469).

**CRYSTAL BEACH CIRCLE** from the west line of Portwest to and including the cul-de-sac; **CRYSTAL BEACH** from the west line of Portwest to the west line of Boardwalk; **PORTWEST** from the south line of Crystal Beach to the south line of Lot 23, Block 4; **BOARDWALK** from the north line of Bayview to the north line of Lot 1, Block 2; **PIERPORT** from the east line of Boardwalk to the east line of Lot 10, Block 2 (south of 53<sup>rd</sup> Street North, west of Meridian) (Project No. 472 84642).

**BRIDGE ON WESTPORT** (south of 53<sup>rd</sup> Street North, west of Meridian) (Project No. 472 84643).

NOW, THEREFORE, the parties hereto do mutually agree as follows:

I. SCOPE OF SERVICES

The ENGINEER shall furnish professional services as required for designing improvements in Moorings 10<sup>th</sup> Addition and perform the PROJECT tasks outlined in Exhibit A.

II. IN ADDITION, THE ENGINEER AGREES

- A. To provide the various technical and professional services, equipment, material and transportation to perform the tasks as outlined in the SCOPE OF SERVICES (Exhibit A).
- B. To attend meetings with the City and other local, state and federal agencies as necessitated by the SCOPE OF SERVICES.
- C. To make available during regular office hours, all calculations, sketches and drawings such as the CITY may wish to examine periodically during performance of this agreement.
- D. To save and hold CITY harmless against all suits, claims, damages and losses for injuries to persons or property arising from or caused by errors, omissions or negligent acts of ENGINEER, its agents, servants, employees, or subcontractors occurring in the performance of its services under this contract.
- E. To maintain books, documents, papers, accounting records and other evidence pertaining to costs incurred by ENGINEER and, where relevant to method of payment, to make such material available to the CITY.
- F. To comply with all Federal, State and local laws, ordinances and regulations applicable to the work, including Title VI of the Civil Rights Act of 1964, and to comply with the CITY'S Affirmative Action Program as set forth in Exhibit "B" which is attached hereto and adopted by reference as though fully set forth herein.
- G. To accept compensation for the work herein described in such amounts and at such periods as provided in Article IV and that such compensation shall be satisfactory and sufficient payment for all work performed, equipment or materials used and services rendered in connection with such work.
- H. To complete the services to be performed by ENGINEER within the time allotted for the PROJECT in accordance with Exhibit A; EXCEPT that the ENGINEER shall not be responsible or held liable for delays occasioned by the actions or inactions of the CITY or other agencies, or for other unavoidable delays beyond control of the ENGINEER.
- I. Covenants and represents to be responsible for the professional and technical accuracies and the coordination of all designs, drawings, specifications, plans and/or other work or material furnished by the ENGINEER under this agreement. ENGINEER further agrees, covenants and represents, that all designs, drawings, specifications, plans, and other work or material furnished by ENGINEER, its agents, employees and subcontractors, under this agreement, including any additions, alterations or amendments thereof, shall be free from negligent errors or omissions.
- J. ENGINEER shall procure and maintain such insurance as will protect the ENGINEER from damages resulting from the negligent acts of the ENGINEER, its agents, officers, employees and subcontractors in the performance of the professional services rendered under this agreement. Such policy of insurance shall be in an amount not less than \$500,000.00 subject to a deductible of \$10,000.00. In addition, a Workman's Compensation and Employer's Liability Policy shall be procured and maintained. This policy shall include an "all state" endorsement. Said insurance policy shall also cover claims for injury, disease or death of employees arising out of and in the course of their employment, which, for any reason, may not fall within the provisions of the Workman's Compensation Law. The liability limit shall be not less than:

Workman's Compensation – Statutory  
Employer's Liability - \$500,000 each occurrence.

Further, a comprehensive general liability policy shall be procured and maintained by the ENGINEER that shall be written in a comprehensive form and shall protect ENGINEER against all claims arising from injuries to persons (other than ENGINEER'S employees) or damage to property of the CITY or others arising out of any negligent act or omission of ENGINEER, its agents, officers, employees or subcontractors in the performance of the professional services under this agreement. The liability limit shall not be less than \$500,000.00 per occurrence for bodily injury, death and property damage. Satisfactory Certificates of Insurance shall be filed with the CITY prior to the time ENGINEER starts any work under this agreement. In addition, insurance policies applicable hereto shall contain a provision that provides that the CITY shall be given thirty (30) days written notice by the insurance company before such policy is substantially changed or canceled.

- K. To designate a Project Manager for the coordination of the work that this agreement requires to be performed. The ENGINEER agrees to advise the CITY, in writing, of the person(s) designated as Project Manager not later than five (5) days following issuance of the notice to proceed on the work required by this agreement. The ENGINEER shall also advise the CITY of any changes in the person designated Project Manager. Written notification shall be provided to the CITY for any changes exceeding one week in length of time.

III. THE CITY AGREES:

- A. To furnish all available data pertaining to the PROJECT now in the CITY'S files at no cost to the ENGINEER. Confidential materials so furnished will be kept confidential by the ENGINEER.
- B. To provide standards as required for the PROJECT; however, reproduction costs are the responsibility of the ENGINEER, except as specified in Exhibit A.
- C. To pay the ENGINEER for his services in accordance with the requirements of this agreement.
- D. To provide the right-of-entry for ENGINEER'S personnel in performing field surveys and inspections.
- E. To designate a Project Manager for the coordination of the work that this agreement requires to be performed. The CITY agrees to advise, the ENGINEER, in writing, of the person(s) designated as Project Manager with the issuance of the notice to proceed on the work required by this agreement. The CITY shall also advise the ENGINEER of any changes in the person(s) designated Project Manager. Written notification shall be provided to the ENGINEER for any changes exceeding one week in length of time.
- F. To examine all studies, reports, sketches, drawings, specifications, proposals and other documents presented by ENGINEER in a timely fashion.

IV. PAYMENT PROVISIONS

- A. Payment to the ENGINEER for the performance of the professional services required by this agreement shall be made on the basis of the lump sum fee amount specified below:

Project No. 448 90356	\$ <b><u>13,800.00</u></b>
Project No. 468 84467	\$ <b><u>44,700.00</u></b>
Project No. 468 84468	\$ <b><u>14,400.00</u></b>
Project No. 468 84469	\$ <b><u>18,600.00</u></b>
Project No. 472 84642	\$ <b><u>55,700.00</u></b>
Project No. 472 84643	\$ <b><u>25,300.00</u></b>
TOTAL	\$ <b><u>172,500.00</u></b>

- B. When requested by the CITY, the ENGINEER will enter into a Supplemental Agreement for additional services related to the PROJECT such as, but not limited to:
1. Consultant or witness for the CITY in any litigation, administrative hearing, or other legal proceedings related to the PROJECT.
  2. Additional design services not covered by the scope of this agreement.
  3. Construction staking, material testing, inspection and administration related to the PROJECT.
  4. A major change in the scope of services for the PROJECT.

If additional work should be necessary, the ENGINEER will be given written notice by the CITY along with a request for an estimate of the increase necessary in the not-to-exceed fee for performance of such additions. No additional work shall be performed nor shall additional compensation be paid except on the basis of a Supplemental Agreement duly entered into by the parties.

V. THE PARTIES HERETO MUTUALLY AGREE:

- A. That the right is reserved to the CITY to terminate this agreement at any time, upon written notice, in the event the PROJECT is to be abandoned or indefinitely postponed, or because of the ENGINEER'S inability to proceed with the work.
- B. That the field notes and other pertinent drawings and documents pertaining to the PROJECT shall become the property of the CITY upon completion or termination of the ENGINEER'S services in accordance with this agreement; and there shall be no restriction or limitation on their further use by the CITY. Provided, however, that CITY shall hold ENGINEER harmless from any and all claims, dam-

ages or causes of action which arise out of such further use when such further use is not in connection with the PROJECT.

- C. That the services to be performed by the ENGINEER under the terms of this agreement are personal and cannot be assigned, sublet or transferred without specific consent of the CITY.
- D. In the event of unavoidable delays in the progress of the work contemplated by this agreement, reasonable extensions in the time allotted for the work will be granted by the CITY, provided, however, that the ENGINEER shall request extensions, in writing, giving the reasons therefor.
- E. It is further agreed that this agreement and all contracts entered into under the provisions of this agreement shall be binding upon the parties hereto and their successors and assigns.
- F. Neither the CITY'S review, approval or acceptance of, nor payment for, any of the work or services required to be performed by the ENGINEER under this agreement shall be construed to operate as a waiver of any right under this agreement or any cause of action arising out of the performance of this agreement.
- G. The rights and remedies of the CITY provided for under this agreement are in addition to any other rights and remedies provided by law.
- H. It is specifically agreed between the parties executing this contract, that it is not intended by any of the provisions of any part of this contract to create the public or any member thereof a third party beneficiary hereunder, or to authorize anyone not a party to this contract to maintain a suit for damages pursuant to the terms or provisions of this contract.

IN WITNESS WHEREOF, the CITY and the ENGINEER have executed this agreement as of the date first written above.

BY ACTION OF THE CITY COUNCIL

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Carl Brewer, Mayor

SEAL:

ATTEST:

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Karen Sublett, City Clerk

APPROVED AS TO FORM:

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Gary Rebenstorf, Director of Law

MKEC ENGINEERING CONSULTANT, INC.

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(Name & Title)

ATTEST:

## SCOPE OF SERVICES

The ENGINEER shall furnish engineering services as required for the development of plans, supplemental specifications and estimates of the quantities of work for the PROJECT in the format and detail required by the City Engineer for the City of Wichita. Engineering plans shall be prepared per Attachment No. 1.

In connection with the services to be provided, the ENGINEER shall:

A. PHASE I – PLAN DEVELOPMENT

When authorized by the CITY, proceed with development of Plans for the PROJECT based on the preliminary design concepts approved by the CITY.

1. Field Surveys. Provide engineering and technical personnel and equipment to obtain survey data as required for the engineering design. Utility companies shall be requested to flag or otherwise locate their facilities within the PROJECT limits prior to the ENGINEER conducting the field survey for the PROJECT. Utility information shall be clearly noted and identified on the plans.
2. Storm Water Pollution Prevention. On projects that disturb one acre or more, the ENGINEER will prepare a storm water pollution prevention plan, prepare the necessary permit application(s) and include any provisions or requirements in the project plans and special provisions. The storm water pollution prevention plan shall also include submittal of a NOI prior to bidding; site-specific erosion control plan; and standard BMP detail sheets per Attachment No. 1.
3. Soils and Foundation Investigations. The CITY'S Engineering Division of the Department of Public Works shall provide subsurface borings and soils investigations for the PROJECT. However, the CITY may authorize the ENGINEER to direct an approved Testing Laboratory to perform subsurface borings and soils investigations for the PROJECT, which shall be reported in the format and detail required by the City Engineer for the City of Wichita. The Testing Laboratory shall be responsible for the accuracy and competence of their work. The ENGINEER'S contract with the Testing Laboratory shall provide that the Testing Laboratory is responsible to the City for the accuracy and competence of their work. The cost of soils and boring investigations shall be passed directly to the City of Wichita.
4. Review Preliminary Design Concepts. Submit preliminary design concepts for review with the City Engineer or his designated representative prior to progressing to detail aspects of the work unless waived by the City Engineer.
5. Drainage Study. When applicable, conduct a detailed study to explore alternative design concepts concerning drainage for the PROJECT. Present the findings in writing identifying recommendations to the CITY, including preliminary cost estimates, prior to development of final check plans. Such written findings and recommendations must be in a format which is self explanatory and readily understood by persons with average backgrounds for the technology involved.
6. Prepare engineering plans, plan quantities and supplemental specifications as required. Engineering plans will include incidental drainage where required and permanent traffic signing. The PROJECT'S plans and proposed special provisions shall address the requirements included in the City's Administrative Regulations 6.5, "Cleanup, Restoration or Replacement Following Construction." Also, final plans, field notes and other pertinent project mapping records are to be submitted per Attachment No. 1. The files are to be AutoCAD drawing files or DXF/DXB files. Layering, text fonts, etc. are to be reviewed and approved during the preliminary concept development phase of the design work. Text fonts other than standard AutoCAD files are to be included with drawing files. In addition to supplying the electronic files of the AutoCAD drawing files of the final plans, ENGINEER will also need to supply electronic files of the drawings in PDF format.
7. Prepare right-of-way tract maps and descriptions as required in clearly drawn detail and with sufficient reference to certificate of title descriptions. ENGINEER will perform all necessary survey work associated with marking the additional right-of-way easements. This shall include the setting monuments of new corners for any additional right-of-way and a one time marking of the right-of-way for utility relocations.
8. Identify all potential utility conflicts and provide prints of preliminary plans showing the problem locations to each utility. ENGINEER shall meet with utility company representatives to review plans and coordinate resolution of utility conflicts prior to PROJECT letting or, if approved by the City Engineer, identify on plans conflicts to be resolved during construction. Provide to CITY utility status report identifying utility conflicts with dates by which the conflicts will be eliminated with signed utility agreements from each in-

involved utility company. ENGINEER shall meet with involved utility company/ies and project contractor to resolve any conflicts with utilities that occur during construction that were not identified and coordinated during design.

9. All applicable coordinate control points and related project staking information shall be furnished on a map on the plans, as well on CD-ROM, as a text file, along with the project PDF's. When applicable, this coordinate information will be used by the CITY for construction staking purposes.
10. All shop drawings submitted by the contractor for the PROJECT shall be reviewed and, when acceptable, approved for construction by the ENGINEER for the PROJECT.
11. The ENGINEER shall meet with effected property owners, along with City staff, at a pre-construction Public Information Meeting, as arranged by the City, to explain project design, including such issues as construction phasing and traffic control.
12. The ENGINEER shall complete permanent monumentation of all new R/W, complete and submit all necessary legal documentation for same.
13. Permits. The ENGINEER shall prepare any and all necessary permits for this PROJECT, such as the preparation of applications for U.S. Army Corps of Engineers (404) permits, Division of Water Resources permit, Kansas Department of Wildlife and Parks permit and Kansas Department of Health and Environment permit. Also if requested by the CITY, obtain construction approval from the U.S. Army Corps of Engineers and assist the CITY in coordinating the archaeological review of the PROJECT.
14. Complete and deliver field notes, plan tracings, specifications and estimates to the CITY within the time allotted for the PROJECTS as stipulated below.
  - a. Plan Development for the water improvements by **120 days from notice to proceed.**  
(Project No. 448 90356).
  - b. Plan Development for the sewer improvements by **120 days from notice to proceed.**  
(Project No. 468 84467).
  - c. Plan Development for the drainage improvements by **120 days from notice to proceed.**  
(Project No. 468 84468).
  - d. Plan Development for the storm water sewer improvements by **120 days from notice to proceed.**  
(Project No. 468 84469).
  - e. Plan Development for the paving improvements by **120 days from notice to proceed.**  
(Project No. 472 84642).
  - f. Plan Development for the paving improvements by **120 days from notice to proceed.**  
(Project No. 472 84643).

## **Attachment No. 1 to Exhibit “A” – Scope of Services**

### **Plan Submittal**

Water projects plans shall be submitted with (1) set of mylar plans; and a CD of the .dwgs and .pdfs. This includes projects that have the water plans incorporated into that project, for which the cover sheet should also be included.

Storm Sewer, Sanitary Sewer and Paving plans shall be submitted in a .dwg and .pdf format on a CD.

Paper plan submittals for KDOT projects (i.e. Field Check, ULCC, Final Check, etc.) will not change and the cover sheet mylar will be required for all projects for signature purposes. Projects that have water lines incorporated into the project are required to have those pages in a mylar format. The complete project must be submitted in a scalable .pdf format.

In addition, two (2) sets of 11”x17” plans will be submitted at the time of final .pdf submittal for ALL projects, regardless of the type.

### **Storm Water Pollution Prevention**

For any project disturbing one acre of ground or more, the design Consultant must prepare a Notice of Intent and a Storm Water Pollution Prevention Plan and submit them to the KDHE for approval. Complete copies of the approved NOI and SWP3 must be provided to the City, prior to bidding. One hard copy should be provided to the project engineer upon approval, one electronic copy should be included with your transmittal of PDF plan files, and one additional electronic copy should be sent to the attention of Mark Hall at the following address:

City of Wichita  
Environmental Services  
1900 E. 9<sup>th</sup> St. North  
Wichita, KS 67214

THIS INCLUDES **ALL** PROJECTS DISTURBING ONE ACRE OR MORE – I.E. NEW DEVELOPMENT, ARTERIAL STREETS, DIRT STREETS, BIKE PATHS, SEWER MAINS, ETC.

The City of Wichita will, under no circumstance, bid any project without first receiving copies of the KDHE approved NOI and SWP3.

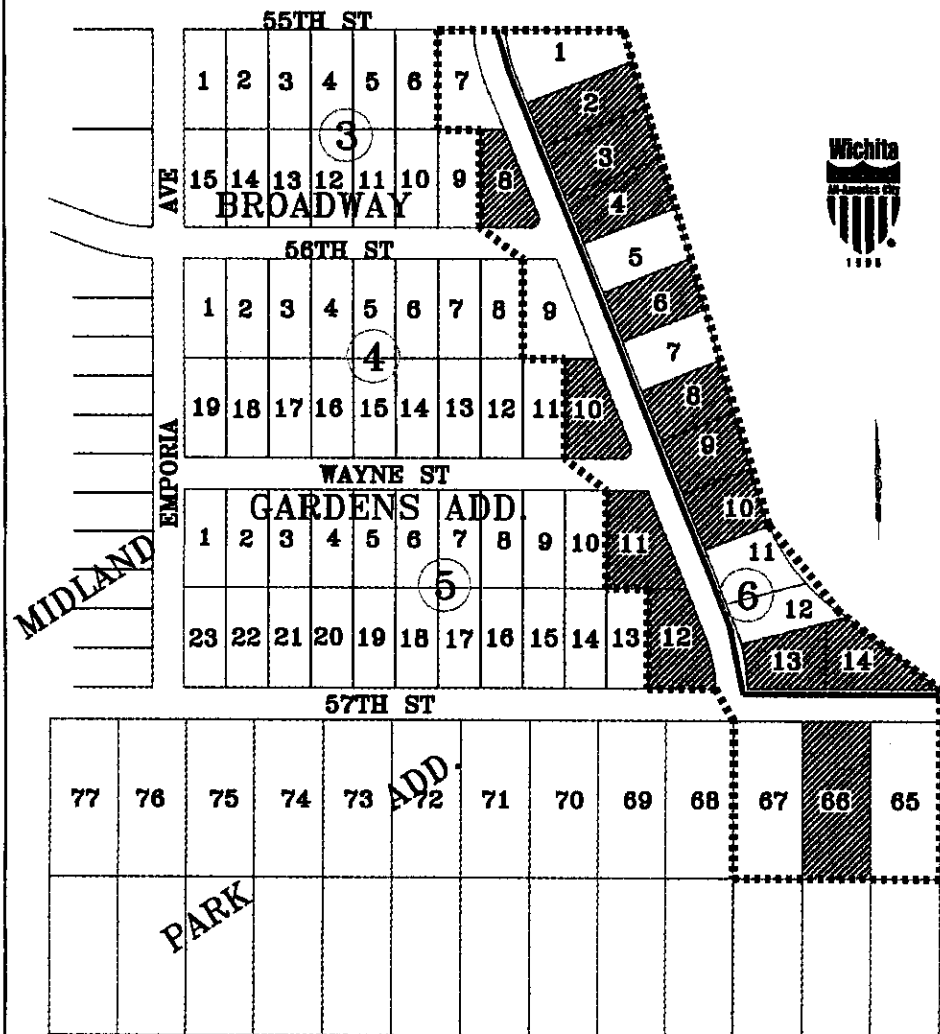
The design of all City of Wichita construction projects must include the development of a site-specific erosion control plan. The site-specific erosion control plan must be included in the project plans. Every component and requirement of the erosion control plan must be separately and accurately accounted as a measured quantity bid item in the engineer’s estimate.

Please note that careful consideration must be given to the transition of BMP maintenance responsibilities throughout the course of multi-phased projects. All intended responsibilities must be clearly demonstrated by the bid items. For example, if it is intended that the contractor of a subsequent waterline project be responsible for the maintenance of silt fence installed with a preceding sanitary sewer project, a measured quantity bid item must be submitted for x-lf of silt fence maintenance.

The City’s current BMP standard detail sheets shall be included in all plans. These five sheets must be included in every plan set developed for the City of Wichita, regardless of project size.



# PROPOSED WATER LINE DOWN MEAD FROM 55TH TO 57TH



## CAPITAL IMPROVEMENT

## PROJECT AUTHORIZATION

## CITY OF WICHITA

USE:

To Initiate Project

To Revise Project

X

1. Prepare in triplicate
3. City Manager to sign all copies.
4. File original w/ initiating resolution in City Clerk.
5. Return 2nd copy to initiating department.
6. Send 3rd copy to Controller.

1. Initiating Department Public Works	2. Initiating Division Eng	3. Date 6/10/2008	4. Project Description & Location Water Distribution System along Mead, between 55th St South and 57th St South
5. CIP Project Number NI-200424	6. Accounting Number	7. CIP Project Date (Year) 2008	8. Approved by WCC Date
9. Estimated Start Date	10. Estimated Completion Date	11. Project Revised	
As Required			
12. Project Cost Estimate			
ITEM	GO	SA	OTHER * TOTAL
Right of Way			
Paving, grading & const.			
Bridge & Culverts			
Drainage			
Sanitary Sewer			
Sidewalk			
Water		\$89,585	\$5,415 \$95,000
Other			
Totals		\$89,585	\$5,415 \$95,000
Total CIP Amount Budgeted			
Total Prelim. Estimate			

Yes

No

Platting Required

Lot Split

Petition

Ordered by WCC

Remarks:

100 % Petition

\* Water Utility

448-90222

13. Recommendation: Approve the Petition and adopt the Resolution

Division Head

Department Head

Budget Officer

City Manager

Date

Date

City of Wichita  
City Council Meeting  
July 8, 2008

**TO:** Mayor and City Council Members

**SUBJECT:** Water Distribution System to serve an area along Mead, between 55th St. South and 57th St. South (District III)

**INITIATED BY:** Department of Public Works

**AGENDA:** Consent

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**Recommendation:** Adopt the Resolution.

**Background:** On August 15, 2006, the City Council approved a petition to construct a water distribution system along Mead Street, between 55th Street South and 57th Street South. During the design phase of the project it was determined that a portion of the pipeline should be oversized to improve water pressure in the area. In accordance with City funding policy, a revised resolution has been prepared that provides Water Utility funding for the cost of over sizing the pipeline.

**Analysis:** The project provides water service to a residential area that was previously supplied by private water wells.

**Financial Considerations:** The Petition budget is \$95,000 with the total paid by special assessments. The revised Resolution provides that 94.3% be paid by special assessments and 5.7% by the Water Utility.

**Goal Impact:** The project addresses the Efficient Infrastructure goal by providing water service to an existing residential area.

**Legal Considerations:** State Statutes provide the City Council the authority to add Water Utility funding to the project by resolution.

**Recommendation/Action:** It is recommended that the City Council adopt the Resolution and authorize the necessary signatures.

**Attachment:** Resolution, CIP sheet, Map.

First Published in the Wichita Eagle on

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF FINDINGS OF ADVISABILITY AND RESOLUTION AUTHORIZING CONSTRUCTION OF **WATER DISTRIBUTION SYSTEM NUMBER 448-90222 (SOUTH OF 55TH ST. SOUTH, EAST OF BROADWAY)** IN THE CITY OF WICHITA, KANSAS, PURSUANT TO FINDINGS OF ADVISABILITY MADE BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, THAT THE FOLLOWING FINDINGS AS TO THE ADVISABILITY OF THE CONSTRUCTION OF **WATER DISTRIBUTION SYSTEM NUMBER 448-90222 (SOUTH OF 55TH ST. SOUTH, EAST OF BROADWAY)** IN THE CITY OF WICHITA, KANSAS, ARE HEREBY MADE TO-WIT:

SECTION 1. That Resolution No. **06-438** adopted on **August 15, 2006** and Resolution No. **08-009** adopted on **January 8, 2007** are hereby rescinded.

SECTION 2. That it is necessary and in the public interest to construct **Water Distribution System Number 448-90222 (south of 55th St. South, east of Broadway)**.

SECTION 3. That the cost of said improvements provided for in Section 2 hereof is estimated to be **Ninety-Five Thousand Dollars (\$95,000)** exclusive of the cost of interest on borrowed money, with **94.3** percent payable by the improvement district and **5.7** percent payable by the Water Utility. Said estimated cost as above set forth is hereby increased at the pro-rata rate of 1 percent per month from and after **November 1, 2005**, exclusive of the costs of temporary financing.

SECTION 4. That all costs of said improvements attributable to the improvement district, when ascertained, shall be assessed against the land lying within the improvement district described as follows:

**SOUTH BROADWAY GARDENS ADDITION**

Lots 7 and 8, Block 3  
Lots 9 and 10, Block 4  
Lots 11 and 12, Block 5  
Lots 1 through 14, Block 6

**MIDLAND PARK ADDITION**

Lots 65 through 67

SECTION 5. That the method of apportioning all costs of said improvements attributable to the improvement district to the owners of land liable for assessment therefore shall be on a **square foot** basis.

Where the ownership of a single lot is or may be divided into two or more parcels, the assessment to the lot so divided shall be assessed to each ownership or parcel on a square foot basis.

SECTION 6. That payment of said assessments may indefinitely be deferred as against those property owners eligible for such deferral available through the Special Assessment Deferral Program.

SECTION 7. That the City Engineer shall prepare plans and specifications for said improvement and a preliminary estimate of cost therefore, which plans, specifications, and a preliminary estimate of cost shall be presented to this Body for its approval.

SECTION 8. Whereas, the Governing Body of the City, upon examination thereof, considered, found and determined the Petition to be sufficient, having been signed by the owners of record, whether resident or not, of more than Fifty Percent (50%) of the property liable for assessment for the costs of the improvement requested thereby; the advisability of the improvements set forth above is hereby established as authorized by K.S.A. 12-6a01 et seq., as amended.

SECTION 9. Be it further resolved that the above described improvement is hereby authorized and declared to be necessary in accordance with the findings of the Governing Body as set out in this resolution.

SECTION 10. That the City Clerk shall make proper publication of this resolution, which shall be published once in the official City paper and which shall be effective from and after said publication.

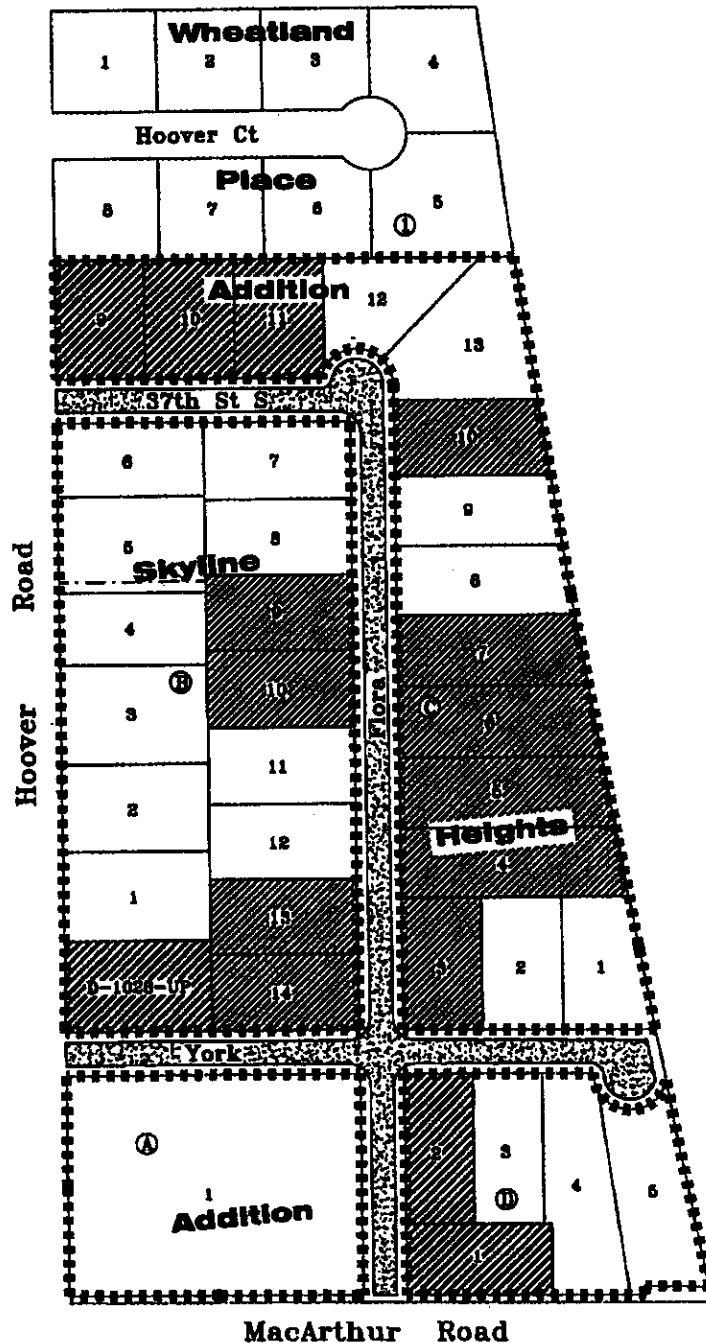
PASSED by the governing body of the City of Wichita, Kansas, this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
CARL BREWER, MAYOR

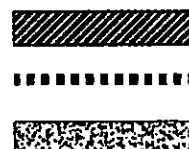
ATTEST:

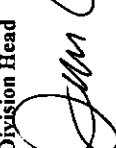
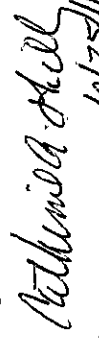
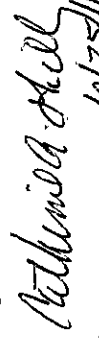
\_\_\_\_\_  
KAREN SUBLETT, CITY CLERK  
(SEAL)

# **Proposed Paving of 37th St. S. Flora and York**



**Resident Owners 51%**  
**Area Signed 41%**  
**Proposed Improvement District**  
**Proposed Improvement**



<b>CAPITAL IMPROVEMENT</b> <b>PROJECT AUTHORIZATION</b> <b>CITY OF WICHITA</b>					USE: To Initiate Project <table border="1" style="display: inline-table; width: 50px; height: 20px; vertical-align: middle;"></table> To Revise Project <table border="1" style="display: inline-table; width: 50px; height: 20px; vertical-align: middle; text-align: center;">X</table>		1. Prepare in triplicate 2. Send original & 2 copies to budget. 3. City Manager to sign all copies. 4. File original w/ initiating resolution in City Clerk. 5. Return 2nd copy to initiating department. 6. Send 3rd copy to Controller.	
1. Initiating Department Public Works	2. Initiating Division Eng	3. Date 6/24/2008	4. Project Description & Location 37th-Flora-York Street Paving					
5. CIP Project Number NI-200424	6. Accounting Number	7. CIP Project Date (Year) 2008	8. Approved by WCC Date					
9. Estimated Start Date	10. Estimated Completion Date		11. Project Revised					
As Required		As Required		12. Project Cost Estimate				
ITEM	GO	SA	OTHER *	TOTAL	12A.			
Right of Way					Yes <table border="1" style="display: inline-table; width: 100px; height: 40px; vertical-align: middle;"></table> No <table border="1" style="display: inline-table; width: 100px; height: 40px; vertical-align: middle;"></table>			
Paving	\$56,900	\$338,100		\$395,000	Platting Required <table border="1" style="display: inline-table; width: 100px; height: 40px; vertical-align: middle;"></table> Lot Split <table border="1" style="display: inline-table; width: 100px; height: 40px; vertical-align: middle;"></table> Petition <table border="1" style="display: inline-table; width: 100px; height: 40px; vertical-align: middle; text-align: center;">X</table> Ordered by WCC <table border="1" style="display: inline-table; width: 100px; height: 40px; vertical-align: middle;"></table>			
Bridge & Culverts								
Drainage								
Sanitary Sewer								
Sidewalk					Remarks: 100% Petition			
Water								
Street Lights								
Totals	\$56,900	\$338,100		\$395,000	472-84443			
Total CIP Amount Budgeted								
Total Prelim. Estimate								
13. Recommendation: Approve the Petition and Adopt the resolution								
Division Head	Department Head		Budget Officer	City Manager				
						Date 6/25/08		



132019

First Published in the Wichita Eagle on

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF FINDINGS OF ADVISABILITY AND RESOLUTION AUTHORIZING CONSTRUCTING PAVEMENT ON 37TH STREET SOUTH FROM THE EAST LINE OF HOOVER TO THE E LINE OF FLORA, FLORA FROM THE S LINE OF 37TH STREET SOUTH TO 307.61' S OF THE S LINE OF YORK ST., AND YORK FROM THE E LINE OF HOOVER TO AND INCLUDING THE CUL-DE-SAC (NORTH OF MACARTHUR, EAST OF HOOVER) 472-84443 IN THE CITY OF WICHITA, KANSAS, PURSUANT TO FINDINGS OF ADVISABILITY MADE BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, THAT THE FOLLOWING FINDINGS AS TO THE ADVISABILITY OF CONSTRUCTING PAVEMENT ON 37TH STREET SOUTH FROM THE EAST LINE OF HOOVER TO THE E LINE OF FLORA, FLORA FROM THE S LINE OF 37TH STREET SOUTH TO 307.61' S OF THE S LINE OF YORK ST., AND YORK FROM THE E LINE OF HOOVER TO AND INCLUDING THE CUL-DE-SAC (NORTH OF MACARTHUR, EAST OF HOOVER) 472-84443 IN THE CITY OF WICHITA, KANSAS, ARE HEREBY MADE TO-WIT:

SECTION 1. That Resolution No. 06-606 adopted on November 14, 2006 is hereby rescinded.

SECTION 2. That it is necessary and in the public interest to authorize constructing pavement on 37th Street South from the east line of Hoover to the E line of Flora, Flora from the S line of 37th Street South to 307.61' S of the S line of York St., and York from the E line of Hoover to and including the cul-de-sac (north of MacArthur, east of Hoover) 472-84443.

Said pavement shall be constructed of the material in accordance with plans and specifications provided by the City Engineer.

SECTION 3. That the cost of said improvements provided for in Section 2 hereof is estimated to be **Three Hundred Ninety-Five Thousand Dollars (\$395,000)** exclusive of the cost of interest on borrowed money, with **85.6** percent payable by the improvement district and **14.4** percent payable by the City At Large. Said estimated cost as above set forth is hereby increased at the pro-rata rate of 1 percent per month from and after **April 1, 2005**, exclusive of the costs of temporary financing.

SECTION 4. That all costs of said improvements attributable to the improvement district, when ascertained, shall be assessed against the land lying within the improvement district described as follows:

**SKYLINE HEIGHTS ADDITION**

- Tract 1: Lot 1, Block A
- Tract 2: Lot 1, Block B
- Tract 3: Lot 2, Block B
- Tract 4: Lot 3, Block B
- Tract 5: Lot 4 and the S 15' of Lot 5, Block B
- Tract 6: Lot 5 except the S 15', Block B
- Tract 7: Lot 6, Block B
- Tract 8: Lot 7, Block B
- Tract 9: Lot 8, Block B
- Tract 10: Lot 9, Block B
- Tract 11: Lot 10, Block B
- Tract 12: Lot 11, Block B
- Tract 13: Lot 12, Block B
- Tract 14: Lot 13, Block B
- Tract 15: Lot 14, Block B
- Tract 16: Lot 1, Block C
- Tract 17: Lot 2, Block C
- Tract 18: Lot 3, Block C
- Tract 19: Lot 4, Block C
- Tract 20: Lot 5, Block C
- Tract 21: Lot 6, Block C
- Tract 22: Lot 7, Block C
- Tract 23: Lot 8, Block C
- Tract 24: Lot 9, Block C
- Tract 25: Lot 10, Block C
- Tract 26: Lot 1, Block D
- Tract 27: Lot 2, Block D
- Tract 28: Lot 3, Block D
- Tract 29: Lot 4, Block D
- Tract 30: Lot 5, Block D

### **WHEATLAND PLACE ADDITION**

Tract 31: Lot 9, Block 1  
Tract 32: Lot 10, Block 1  
Tract 33: Lot 11, Block 1  
Tract 34: Lot 12, Block 1  
Tract 35: Lot 13, Block 1

### **UNPLATTED TRACT**

In Section 11, TWP 28, R1W

Tract 36: Beginning 415' N of the SW corner of the SW 1/4; thence E 250' N 125' W 250' S to the beginning. (D-1028-UP)

SECTION 5. That the method of apportioning all costs of said improvements attributable to the improvement district to the owners of land liable for assessment therefore shall be on a **fractional** basis:

That the method of assessment of all costs of the improvement for which the improvement district shall be liable shall be on a fractional basis with TRACT 1 described above paying 3/38 of the total cost assessed to the improvement district; and TRACTS 2 THROUGH 36 paying 1/38 of the total cost assessed to the improvement district.

Where the ownership of a single lot is or may be divided into two or more parcels, the assessment to the lot or tract so divided shall be assessed to each ownership or parcel on a square foot basis. Except when driveways are requested to serve a particular tract, lot, or parcel, the cost of said driveway shall be in addition to the assessment to said tract, lot, or parcel and shall be in addition to the assessment for other improvements.

SECTION 6. That payment of said assessments may indefinitely be deferred as against those property owners eligible for such deferral available through the Special Assessment Deferral Program.

SECTION 7. That the City Engineer shall prepare plans and specifications for said improvement and a preliminary estimate of cost therefore, which plans, specifications, and a preliminary estimate of cost shall be presented to this Body for its approval.

SECTION 8. Whereas, the Governing Body of the City, upon examination thereof, considered, found and determined the Petition to be sufficient, having been signed by the owners of record, whether resident or not, of more than Fifty Percent (50%) of the property liable for assessment for the costs of the improvement requested thereby; the advisability of the improvements set forth above is hereby established as authorized by K.S.A. 12-6a01 et seq. as amended.

SECTION 9. Be it further resolved that the above-described improvement is hereby authorized and declared to be necessary in accordance with the findings of the Governing Body as set out in this resolution.

SECTION 10. That the City Clerk shall make proper publication of this resolution, which shall be published once in the official City paper and which shall be effective from and after said publication.

PASSED by the governing body of the City of Wichita, Kansas this \_\_\_\_ day of \_\_\_\_\_ 2008.

ATTEST:

\_\_\_\_\_  
CARL BREWER, MAYOR

\_\_\_\_\_  
KAREN SUBLETT, CITY CLERK

(SEAL)

City of Wichita  
City Council Meeting  
July 8, 2008

**TO:** Mayor and City Council Members

**SUBJECT:** 37<sup>th</sup>/Flora/York Street Paving (north of MacArthur, east of Hoover) (District IV)

**INITIATED BY:** Department of Public Works

**AGENDA:** Consent

-----

**Recommendation:** Adopt the Resolution.

**Background:** On November 14, 2006, the City Council approved a petition to pave 37<sup>th</sup>, Flora and York Streets in the area north of MacArthur, east of Hoover. An attempt to award a construction contract within the budget set by the Petition was not successful. A revised Resolution has been prepared that increases the total project budget without increasing the maximum assessment contained in the petition.

**Analysis:** The project provides paved streets in an existing residential area.

**Financial Considerations:** The Petition budget is \$360,000 with 94% paid by special assessments and 6% paid by the city-at-large. The revised Resolution contains a \$395,000 budget and provides that 85.6% be paid by special assessments and 14.4% by the city-at-large. The funding source for the City share is General Obligation Bonds.

**Goal Impact:** The project addresses the Efficient Infrastructure goal by paving streets in an existing residential area.

**Legal Considerations:** State Statutes provide the City Council the authority to add city-at-large funding to the project by resolution.

**Recommendation/Action:** It is recommended that the City Council adopt the Resolution and authorize the necessary signatures.

**Attachment:** Resolution, CIP sheet, Map.

First Published in the Wichita Eagle on

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF FINDINGS OF ADVISABILITY AND RESOLUTION AUTHORIZING CONSTRUCTING PAVEMENT ON **37TH STREET SOUTH** FROM THE EAST LINE OF HOOVER TO THE E LINE OF FLORA, **FLORA** FROM THE S LINE OF 37TH STREET SOUTH TO 307.61' S OF THE S LINE OF YORK ST., AND **YORK** FROM THE E LINE OF HOOVER TO AND INCLUDING THE CUL-DE-SAC (NORTH OF MACARTHUR, EAST OF HOOVER) 472-84443 IN THE CITY OF WICHITA, KANSAS, PURSUANT TO FINDINGS OF ADVISABILITY MADE BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS, THAT THE FOLLOWING FINDINGS AS TO THE ADVISABILITY OF CONSTRUCTING PAVEMENT ON **37TH STREET SOUTH** FROM THE EAST LINE OF HOOVER TO THE E LINE OF FLORA, **FLORA** FROM THE S LINE OF 37TH STREET SOUTH TO 307.61' S OF THE S LINE OF YORK ST., AND **YORK** FROM THE E LINE OF HOOVER TO AND INCLUDING THE CUL-DE-SAC (NORTH OF MACARTHUR, EAST OF HOOVER) 472-84443 IN THE CITY OF WICHITA, KANSAS, ARE HEREBY MADE TO-WIT:

SECTION 1. That Resolution No. **06-606** adopted on **November 14, 2006** is hereby rescinded.

SECTION 2. That it is necessary and in the public interest to authorize constructing pavement on **37th Street South** from the east line of Hoover to the E line of Flora, **Flora** from the S line of 37th Street South to 307.61' S of the S line of York St., and **York** from the E line of Hoover to and including the cul-de-sac (north of MacArthur, east of Hoover) **472-84443**.

Said pavement shall be constructed of the material in accordance with plans and specifications provided by the City Engineer.

SECTION 3. That the cost of said improvements provided for in Section 2 hereof is estimated to be **Three Hundred Ninety-Five Thousand Dollars (\$395,000)** exclusive of the cost of interest on borrowed money, with **85.6** percent payable by the improvement district and **14.4** percent payable by the City At Large. Said estimated cost as above set forth is hereby increased at the pro-rata rate of 1 percent per month from and after **April 1, 2005**, exclusive of the costs of temporary financing.

SECTION 4. That all costs of said improvements attributable to the improvement district, when ascertained, shall be assessed against the land lying within the improvement district described as follows:

**SKYLINE HEIGHTS ADDITION**

- Tract 1: Lot 1, Block A
- Tract 2: Lot 1, Block B
- Tract 3: Lot 2, Block B
- Tract 4: Lot 3, Block B
- Tract 5: Lot 4 and the S 15' of Lot 5, Block B
- Tract 6: Lot 5 except the S 15', Block B
- Tract 7: Lot 6, Block B
- Tract 8: Lot 7, Block B
- Tract 9: Lot 8, Block B
- Tract 10: Lot 9, Block B
- Tract 11: Lot 10, Block B
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- Tract 15: Lot 14, Block B
- Tract 16: Lot 1, Block C
- Tract 17: Lot 2, Block C
- Tract 18: Lot 3, Block C
- Tract 19: Lot 4, Block C
- Tract 20: Lot 5, Block C
- Tract 21: Lot 6, Block C
- Tract 22: Lot 7, Block C
- Tract 23: Lot 8, Block C
- Tract 24: Lot 9, Block C
- Tract 25: Lot 10, Block C
- Tract 26: Lot 1, Block D
- Tract 27: Lot 2, Block D
- Tract 28: Lot 3, Block D
- Tract 29: Lot 4, Block D
- Tract 30: Lot 5, Block D

**WHEATLAND PLACE ADDITION**

- Tract 31: Lot 9, Block 1
- Tract 32: Lot 10, Block 1
- Tract 33: Lot 11, Block 1
- Tract 34: Lot 12, Block 1
- Tract 35: Lot 13, Block 1

**UNPLATTED TRACT**

In Section 11, TWP 28, R1W

- Tract 36: Beginning 415' N of the SW corner of the SW 1/4; thence E 250' N 125' W 250' S to the beginning. (D-1028-UP)

SECTION 5. That the method of apportioning all costs of said improvements attributable to the improvement district to the owners of land liable for assessment therefore shall be on a **fractional** basis:

That the method of assessment of all costs of the improvement for which the improvement district shall be liable shall be on a fractional basis with TRACT 1 described above paying 3/38 of the total cost assessed to the improvement district; and TRACTS 2 THROUGH 36 paying 1/38 of the total cost assessed to the improvement district.

Where the ownership of a single lot is or may be divided into two or more parcels, the assessment to the lot or tract so divided shall be assessed to each ownership or parcel on a square foot basis. Except when driveways are requested to serve a particular tract, lot, or parcel, the cost of said driveway shall be in addition to the assessment to said tract, lot, or parcel and shall be in addition to the assessment for other improvements.

SECTION 6. That payment of said assessments may indefinitely be deferred as against those property owners eligible for such deferral available through the Special Assessment Deferral Program.

SECTION 7. That the City Engineer shall prepare plans and specifications for said improvement and a preliminary estimate of cost therefore, which plans, specifications, and a preliminary estimate of cost shall be presented to this Body for its approval.

SECTION 8. Whereas, the Governing Body of the City, upon examination thereof, considered, found and determined the Petition to be sufficient, having been signed by the owners of record, whether resident or not, of more than Fifty Percent (50%) of the property liable for assessment for the costs of the improvement requested thereby; the advisability of the improvements set forth above is hereby established as authorized by K.S.A. 12-6a01 et seq. as amended.

SECTION 9. Be it further resolved that the above-described improvement is hereby authorized and declared to be necessary in accordance with the findings of the Governing Body as set out in this resolution.

SECTION 10. That the City Clerk shall make proper publication of this resolution, which shall be published once in the official City paper and which shall be effective from and after said publication.

PASSED by the governing body of the City of Wichita, Kansas this \_\_\_\_ day of \_\_\_\_\_ 2008.

\_\_\_\_\_  
CARL BREWER, MAYOR

ATTEST:

\_\_\_\_\_  
KAREN SUBLETT, CITY CLERK



(SEAL)

**Senior Management Expenses  
For the Month of May 2008**

<b>Employee by Department</b>	<b>Purpose</b>	<b>Amount</b>
<b>01-City Manager Staff</b>		
Ed Flentje, City Manager	ICMA Statagic Planning Conf., Evanston IL	\$ 606.42
Allen Bell, Director of Urban Development	AirTran meeting, Atlanta GA	517.50
<b>07-Fire</b>		
Michael Rudd, Deputy Chief	Fire Leadership Conf., Tulsa OK	384.40
<b>09-Housing &amp; Community Services</b>		
Mary K Vaughn, Director of Housing & Community Services	Ks NAHRO Conf., Salina KS	281.51
Brad Snapp, Assistant Director of Housing & Community Services	Ks NAHRO Conf., Salina KS	215.50
<b>10-Library</b>		
Cynthia Berner-Harris, Director of Libraries	Copyright Workshop, Hutchinson KS	30.76
<b>13-Public Works</b>		
Joe Pajor, Assistant Director of Public Works	APWA Mid-America Conf., Overland Park KS	524.72
Jim Armour, City Engineer	K-State Engineering Open House, Manhattan KS	284.16
Tony DiCicco, Maintenance Engineer	APWA Mid-America Conf., Overland Park KS	585.05
<b>Total</b>		<b>\$ 3,430.02</b>

GMS APPLICATION NUMBER 2008-F5354-KS-DJ  
(Mandatory)

COUNTY CLERK  
CONTRACT NO. \_\_\_\_\_

THE STATE OF KANSAS

KNOW ALL BY THESE PRESENT

COUNTY OF SEDGWICK

**INTERLOCAL AGREEMENT  
BETWEEN THE CITY OF WICHITA, KANSAS AND COUNTY OF SEDGWICK**

**2008 BYRNE JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AWARD**

This Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2008, by and between The COUNTY of Sedgwick, acting by and through its governing body, the Board of County Commissioners, hereinafter referred to as COUNTY, and the CITY of Wichita, acting by and through its governing body, the City Council, hereinafter referred to as CITY, both of Sedgwick County, State of Kansas, witnesseth:

**WHEREAS**, this Agreement is made under the authority of Sections K.S.A. 12-2908, et seq Government Code: and

**WHEREAS**, each governing body, in performing governmental functions or in paying for the performance of governmental functions hereunder, shall make that performance or those payments from current revenues legally available to that party: and

**WHEREAS**, each governing body finds that the performance of this Agreement is in the best interests of both parties, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this agreement: and

**WHEREAS**, the COUNTY agrees to provide the CITY \$80,072.00 from the JAG award for the Safe and Secure Communities Project: and

**WHEREAS**, the CITY and COUNTY believe it to be in their best interests to reallocate the JAG funds.

**NOW THEREFORE, the COUNTY and CITY agree as follows:**

**Section 1.**

COUNTY agrees to pay CITY a total of \$ 80,072 of JAG funds.

**Section 2.**

CITY agrees to use \$ 80,072 for the Safe and Secure Communities Project until 9-30-2011 (date).

**GMS APPLICATION NUMBER 2008-F5354-KS-DJ**  
(Mandatory)

**Section 3.**

Nothing in the performance of this Agreement shall impose any liability for claims against COUNTY other than claims for which liability may be imposed by the Kansas Tort Claims Act.

**Section 4.**

Nothing in the performance of this Agreement shall impose any liability for claims against CITY other than claims for which liability may be imposed by the Kansas Tort Claims Act.

**Section 5.**

Each party to this agreement will be responsible for its own actions in providing services under this agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

**Section 6.**

The parties to this Agreement do not intend for any third party to obtain a right by virtue of this Agreement.

**Section 7.**

By entering into this Agreement, the parties do not intend to create any obligations express or implied other than those set out herein; further, this Agreement shall not create any rights in any party not a signatory hereto.

CITY OF WICHITA, KANSAS

BOARD OF COUNTY COMMISSIONERS  
OF SEDGWICK COUNTY, KANSAS

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
THOMAS G. WINTERS, Chairman  
Commissioner, 1<sup>st</sup> District

ATTEST:

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
DON BRACE, County Clerk

APPROVED AS TO FORM:

APPROVE AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

\_\_\_\_\_  
OFFICE OF COUNTY COUNSELOR

\*By law, the District Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contracts or legal document on behalf of other parties. Our view of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval and should seek review and approval by their own respective attorney(s).

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council

**SUBJECT:** Justice Assistance Grant

**INITIATED BY:** Police Department

**AGENDA:** Consent

---

**Recommendation:** Approve the application.

**Background:** The City of Wichita Police Department and Sedgwick County Sheriff's Office have received notification they are eligible to receive 2008 Justice Assistance Grant (JAG) funding. The City of Wichita and Sedgwick County are required to submit a joint application for JAG funding, specifying the amount of the funds that are to be distributed to each of the units of local government and the purposes for which the funds will be used. The City of Wichita and Sedgwick County are eligible for a total of \$160,145 in federal funding, to be shared equally at \$80,072 each. Sedgwick County will be the applicant/fiscal agent for the joint funds.

**Analysis:** Prior to beginning the JAG application process, a Memorandum of Understanding, MOU, will be signed by both Sedgwick County and City of Wichita officials, outlining the administration and distribution of the grant funds. The Sedgwick County Commission held a public hearing for the joint JAG application on July 02, 2008, allowing public comment by citizens. The Wichita Police Department will use their share of the JAG funding for Law Enforcement purposes to ensure a Safe and Secure Community.

**Financial Considerations:** The City of Wichita will receive \$80,072 in 2008 Justice Assistance Grant funding. There is no local match requirement.

<b>\$10,000 Overtime</b>
<b>\$5,000 Lease vehicles-Field services</b>
<b>\$65,072 Police equipment</b>
<hr/>
<b>\$80,072 Total</b>

**Goal Impact:** Safe and Secure Communities are affected by this grant.

**Legal Considerations:** The required Memorandum of Understanding will be reviewed by the Law Department

**Recommendations/Actions:** It is recommended that the City Council approve the MOU and authorize the appropriate signatures.

**City of Wichita  
City Council Meeting  
July 8, 2008**

**TO:** Mayor and City Council

**SUBJECT:** Federal Byrne Memorial Grant

**INITIATED BY:** Police Department

**AGENDA:** Consent

---

**Recommendation:** Approve the application.

**Background:** The City of Wichita Police Department has received notification that they are eligible to apply for the 2008 Edward Byrne Memorial Competitive Grant. This funding will be used to coordinate an Inter-Agency Data Integration (IADI) Fusion Center to facilitate information sharing among seven (7) local and one state agency.

The Department of Justice is promoting criminal information data sharing through Fusion Centers as a way of better protecting local areas and the nation. The agencies that are participating in the grant request will share information under a connectivity umbrella that doesn't currently exist.

**Analysis:** Funds from the grant would be used to interconnect eight (8) participating agencies from a single access point instead of the 17 needed now. The need for a Fusion Center can be seen below in the backdrop of public safety demographics in the Wichita Metropolitan Area (WMA).

- Police, prosecutors and courts currently search 14 separate agency databases using 17 access points in order to complete a records check on any individual. The reports that are returned from these searches cannot be coordinated into one report. Fusion Centers resolve this problem.
- The Wichita Metropolitan Area can become a target for regional and national crime (i.e. interstate gang activity, drug trafficking, auto thefts, prostitution, metals thefts.) The City sits on US Highways I-35 and 54 and is a crossroad for regional and interstate traffic. Sedgwick County, Kansas is the 2<sup>nd</sup> largest county by population. In 2008, the population for the Wichita Metropolitan Area is forecast to be in excess of 602,000 and will account for 22% of the state's population. Coordinating large volumes of criminal information will place increased pressure on police, prosecutors and courts. Fusion Centers help with volume management.
- In 2006, the KBI (Kansas Bureau of Investigation) reported that 24% of reportable incidents and 9% of reportable arrests within Kansas were processed by the Wichita Police Department. In 2007, Wichita Police cataloged 124,636 incidents and made 28,624 arrests of all types.
- In 2007, the Sedgwick County District Attorney filed 31,097 cases in the 18<sup>th</sup> District Court.
- The 18<sup>th</sup> District Court maintains the highest felony and domestic relations caseload per judge in Kansas and has experienced a 41% increase in Felony Criminal caseloads since 1998.
- On an annual basis, the Wichita Municipal Court's docket includes approximately 128,000 cases with 52,000 adjudicated.

**Financial Considerations:** The City of Wichita is requesting funding for \$1,232,620 in Federal Byrne funding. There is no local match requirement.

**Goal Impact:** Safe and Secure Community is affected by this grant.

**Legal Considerations:** If the grant is funded, the Department of Law will review the grant agreement prior to formal acceptance.

**Recommendations/Actions:** It is recommended that the City Council approve and authorize the appropriate signatures.